REQUEST FOR INTEREST AND QUALIFICATIONS

North 90 Attainable and Workforce Housing Development Center, Colorado

INTRODUCTION

The Town of Center, Colorado is inviting qualified developers to express their interest in developing attainable/workforce housing on the Town Owned North 90 Parcel. In Phase I we are seeking to explore the construction of roughly 20 - 40 homes, open to both rental and for-sale units. However respondents are welcome to propose larger or multi-phased projects using additional land in the North 90. We look forward to working collaboratively with developers that can assist our community in meeting our housing needs.

PUBLIC CO-INVESTMENT

To support this project and ensure we can meet our community's needs, the Town of Center is willing to offer the following tools as part of public co-investment to form a successful Public-Private Partnership (PPP):

- Tax Increment Financing (TIF) financing with the Center Urban Renewal Authority
- Special Limited Partnership tax abatement opportunities with local or regional Housing Authorities
- Reduced or Waived Land Acquisition Costs
- Prop 123 Financing including Sub-Market Debt, Equity, and Modular Financing, plus Grants for Land Banking and Single Family
- More Housing Now State Infrastructure Grants
- The new Colorado Middle Income Housing Tax Credit program
- Utilization of other State and Federal Grant Programs
- Planned Unit Development (PUD) eligible (and other favorable land-use codes)
- Waived Tap Fees
- Streamlined Development Review

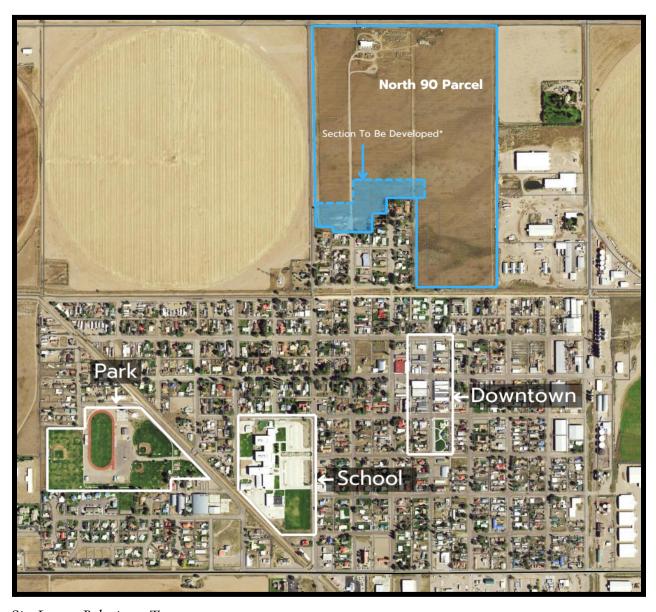
SITE BACKGROUND

The subject parcel is a portion of a site locally referred to as the North 90, an 88 acre acquisition immediately north of the Town of Center. The site is located at 49076 County Road B, Center, CO 81125, or Saguache County Parcel Number 485733200086, with the section adjacent to town being the subject portion to be developed.



Aerial View of the Site

The location is within walking distance of our downtown (0.3 miles), school district (0.5 miles), and major parks (0.5 and 0.8 miles). It has more than sufficient water rights to support a build out of the entire property, has previously been used for agricultural uses, and has been formally annexed into the Town.



Site Layout Relative to Town

SUMMARY OF PROJECT GOALS

The Town is seeking to partner with the Developer to begin defining a feasible project for this parcel which aligns with the community's housing needs, works within the opportunities and constraints of the site, and partners with local stakeholders to maximize the eligibility for state and federal financing as described above. The Town anticipates that a variety of housing options may be developed on this parcel along with other complimentary uses such as commercial, parks, trails, and other neighborhood amenities.

Importantly, there are very few strict constraints to this project. Our work with the Colorado Housing and Finance Authority's (CHFA) S.H.I.P Pre-Development Assistance team suggests an initial phase of 30 units on up to 10 acres. However, respondents are welcome to propose an alternative unit count, acreage, or approximate location. Please note, however, that respondents are encouraged to ensure that the proposed development reasonably fits in with the existing character of the Town.

The development is open to for-sale/ownership units, rental units, or any combination. We are seeking to target affordable to workforce housing with a broad AMI range including traditional "affordable" averaging 50% AMI and "attainable" units up to 100% AMI. The following plans and reports will help inform and give prospective Developers a more in-depth understanding of the Town's demographics and housing challenges. *Please refer to Appendix A for a summary of the additional context outlined in these reports.*

- North 90 Parcel Market Study March 2023
- Center Housing Needs Assessment July 2021
- Center Housing Action Plan June 2022

Additionally, please refer to the following report from the CHFA S.H.I.P.:

- Town of Center S.H.I.P Pre-Development Assistance November 2023 +
- S.H.I.P Pre-Development Proforma

Lastly, please refer to a high level Master Plan of the entire 88 Acres from Mass Design:

■ 221216 Town of Center Predevelopment Engagement FINAL (1).PDF

REQUEST FOR QUALIFICATIONS & INTEREST

The Town of Center, Colorado is seeking Letters of Interest and Qualifications from developers for the North 90 Attainable and Workforce Housing Development project. Interested developers should submit a narrative of up to three pages, with the option of sending any additional attachments that would help demonstrate their qualifications, experience, and vision for the project.¹

Submission Requirements:

1. Narrative (up to 3 pages):

- Outline your approach and vision for the North 90 Parcel.
- Highlight relevant experience and previous projects.

- Describe how your proposal aligns with the community's housing needs and project goals.
- Qualifications of the development team.

2. Additional Attachments:

- Examples of similar projects completed.
- Any preliminary project concept, if available.
- Evidence of financial capability to undertake the project.

Submission Deadline: September 22, 2024

Please submit your Letter of Interest and Qualifications electronically to our economic development advisors at Downtown Colorado Inc.:

Kylie Brown, Rural Program Manager

outreach@downtowncoloradoinc.org

Questions and Further Information:

For any questions or further information regarding the Request for Interest and Qualifications, please contact:

Kylie Brown, Rural Program Manager outreach@downtowncoloradoinc.org 303-587-0697

We look forward to receiving your submissions and collaborating on a project that will significantly contribute to our community's housing needs and overall growth. Thank you for your interest in partnering with the Town of Center.

APPENDIX A: SUMMARY OF ADDITIONAL CONTEXT

As the agricultural "Center" of the San Luis Valley, the **Town of Center, Colorado is the third-largest community in the six-county, rural San Luis Valley region of Southern Colorado.** The municipality sits on the border of Saguache and Rio Grande counties and **has a population of 2,397** (according to Claritas). It is 28 miles from regional hub Alamosa, 14 miles from Monte Vista, and 15 miles from Del Norte, the 1st, 2nd, and 4th largest communities, respectively, in the San Luis Valley by population. The community is also **37 miles from the Great Sand Dunes National Park** and **is surrounded and in clear view of the Sangre de Cristo and San Juan mountain ranges**. Its economy is largely based on agriculture, education, healthcare, government, and tourism. Additionally, **89% of the community identifies as Hispanic or Latino** (State Demography Office) and the community is home to a great number of seasonal agricultural workers each year.

The Town of Center has received several assessments and reports that more concretely explore Center's housing needs. Starting in 2021, the San Luis Valley Housing Coalition's (SLVHC) needs assessment for the Town of Center outlined the **need for 70-80 units by 2026**, based on the town's current share of county households. The same report also provided a **target of 125 new units by 2026 to counter residential sprawl** in the county where infrastructure and services are less available.

The report identified that across 290 rental units there were functionally zero rental housing units available, with vacancy rates steadily below 1%, and extremely limited turnover of for-sale homes (only two homes sales have been recorded from REColorado and Zillow since 2019 although others never hit the market). Additionally, the report noted that the rate of abandoned or vacant homes in Center is also far less than the rest of the San Luis Valley (14% versus 30%). The high housing demand has since led to many of these homes being renovated and put back into service since this report was released, indicating that the true abandonment rate sits well below 14% today.

In 2022, SLVHC released their action plan for Center. This recommended developing 45 - 75 new rental units and 10 - 20 new for-sale homes. In preparation to foster this development, the Town identified a portion of the North 90 parcel of land north of town to be dedicated to new housing. The Town created an Urban Renewal Authority, and as of January 2024, is in the process of creating a URA project area that encompasses this parcel. Moreover, the Town has updated its zoning codes to permit a greater diversity of housing options.

As the Town continued the pre-development process, they commissioned an unbiased market study from Prior & Associates to determine market feasibility of constructing housing on this parcel in the Town of Center. A few things about the Town of Center. Center has a median household income of \$50,203 and more than 20% of the population has incomes lower than the poverty level

(according to the ACS 2022). Additionally, according to McKinney-Vento, the number of families in Center living in unsafe, unstable, or unhoused conditions has grown significantly since 2010. Today nearly 10% of Center's population experiences homeless situations. However, demographic projections by Claritas indicate Center's population is set to grow by 0.8% annually, reaching 2,496 in 2027, surpassing the projected 0.4% growth rate for the broader San Luis Valley. Anticipated additions include eight owner households and four rental households annually. However, this number is based on the assumption of limited new housing construction.

The prevailing sentiment of the official market study is that a **newly built housing development**, appropriately marketed and priced, should have no difficulty attracting households, given the high rental demand throughout the San Luis Valley. Rental demand is particularly high at 40% and 60% AMI, with existing housing serving the 30% AMI bracket. Single-family dwellings in Center are advised to be priced between \$200 to \$225 per square foot. **Demographic data and economic trends signal sustained demand for for-sale housing through 2027**, underlining the critical need for affordable housing developments.

Lastly, community sentiment is very strong in support of workforce or "missing middle" housing. Anecdotally, our teachers, police officers, and other members of our workforce cannot find a place to live in our community, there are no homes for married couples to move into, and most construction in the last few decades has supported residents at super low AMI (<30%) levels. **This lack of opportunity stymies our town's economic and community development** and represents a core demographic we hope to serve with development in the near future.

For inquiries:
Kylie Brown, Rural Program Manager
outreach@downtowncoloradoinc.org
303-587-0697

