



105 Mercill Avenue Developer Selection



JACKSON/TETON COUNTY

WORKFORCE HOUSING ACTION PLAN

NOVEMBER 2015

November 2015 – Housing Action Plan is adopted: **“Request for Proposals” Model**



1. November 7, 2017 – Released first RFP, 174 N. King Street – 4 responses
 - LIHTC – 30 rental units – will find out if awarded July 31
2. February 5, 2019 – Release second RFP, 440 W. Kelly Ave – 3 responses
 - 12-16 Workforce Ownership units
3. March 6, 2019 – Released third RFP, 105 Mercill Ave – 5 responses
 - At least 23 Workforce/Affordable Ownership units



RFP Requirements

- At least 22 permanently deed restricted units
- Ground floor commercial allowed
- Market residential units allowed (cannot also have commercial SF)
- Must meet parking requirements
- Must meet all Land Development Regulations
- 5 deed restricted units reserved for Teton County employee “first option” units (ROFP)
- Must meet livability standards in Housing Rules and Regulations
- Must meet LEED Silver standards

RFP Timeline:

- March 6, 2019: RFP is released
- May 23, 2019: Five responses to RFP received
- May 23 – June 6, 2019: Housing Supply Board, Town Planning Department staff, and Housing Director review the responses.
- June 7, 2019: “Supplemental Questions 1” were sent to each team.
- June 10, 2019: Teams provided their responses to the supplemental questions.
- June 11, 2019: Housing Supply Board met to discuss the proposals. Four finalists were chosen.
- June 12, 2019: “Supplemental Questions 2” and a revised Project Criteria Worksheet were sent to the four final teams.
- June 21, 2019: Teams provided their responses to the supplemental questions and a completed Project Criteria Worksheet.
- June 26, 2019: Housing Supply Board met to interview four finalists and then discussed the proposals.



5 Responses, 4 Finalists

Jackson Hole Community Housing Trust	Mercill Partners	Onion Flats	Westmount
Northworks Architects	Design Associates	Onion Flats, Love/Schack Architects	Krikor Architects
Shaw Construction	JH Builders	G.E. Johnson	New West Building Company

Unit Count, Mix, Parking



	JHCHT		Mercill Partners	Onion Flats		Westmount
# units	24	25	31	30	27	23
# bedrooms	36	37	45	30	33	28
1-bed	14	15	17	30	21	19
2-bed	8	8	14	-	6	3
3-bed	2	2	-	-	-	1
Commercial	6609 SF		6513 SF	-	-	3600 SF
Parking	43	43	80	43	43	42

People, Workers, Net Workers Housed



	JHCHT		Mercill Partners	Onion Flats		Westmount
# units	24	25	31	30	27	23
# People Housed	48.5	50.25	61.25	52.5	50.25	43
# Gross Workers Housed	40.5	41.95	52.65	43.5	42.45	35.65
# Net Workers Housed	29.71	31.16	38.02	43.5	42.45	29.73

People, Workers, Net Workers Housed



Assumptions: Data from ACS, Housing Nexus Study, based on LDRs Sections 6.3, 6.4

# people housed	# workers housed	# employees generated/1000 SF
1 bed = 1.75 people	1 bed = 1.45 people	Restaurant = 3.956 people
2 bed = 2.25 people	2 bed = 2.0 people	Office = 1.643 people
3 bed = 3 people	3 bed = 2.1 people	Retail = 1.247 people
		Institutional = 1.633 people

People, Workers, Net Workers Housed



	JHCHT		Mercill Partners	Onion Flats		Westmount
# units	24	25	31	30	27	23
# People Housed	48.5	50.25	61.25	52.5	50.25	43
# Gross Workers Housed	40.5	41.95	52.65	43.5	42.45	35.65
# Net Workers Housed	29.71	31.16	38.02	43.5	42.45	29.73

Return on Public Investment



	JHCHT		Mercill Partners	Onion Flats		Westmount
# units	24	25	31	30	27	23
Public \$/unit	\$87,500	\$84,00	\$67,742	\$70,000	\$77,778	\$91,304
Public \$/bedroom	\$58,333	\$56,757	\$46,667	\$70,000	\$63,636	\$75,000
Public \$/person	\$43,299	\$41,791	\$34,286	\$40,000	\$41,791	\$48,837
Public \$/Worker	\$51,852	\$50,060	\$39,886	\$48,276	\$49,470	\$58,906
Public \$/Net Worker	\$70,683	\$67,394	\$55,234	\$48,276	\$49,470	\$70,636

Affordability: Initial & Long-Term



	JHCHT		Mercill Partners	Onion Flats		Westmount
# units	24	25	31	30	27	23
Per unit	\$416,272	\$404,912	\$349,140	\$327,656	\$364,062	\$385,369
Per bedroom	\$277,515	\$273,589	\$240,519	\$327,656	\$297,869	\$316,553
Per person	\$205,990	\$201,449	\$176,708	\$187,232	\$195,615	\$206,128
Per worker	\$246,680	\$241,306	\$205,571	\$225,969	\$231,559	\$248,625
Per net worker	\$336,268	\$324,865	\$284,675	\$225,969	\$231,559	\$298,133
Per Res. SF (units, storage)	\$335	\$341	\$498	\$607	\$607	\$446
Appreciation	CPI capped at 4%; CPI+1% capped at 5%		CPI capped at 3%	CPI capped at 3%	CPI capped at 3%	CPI capped at 3%

Assumptions:

Initial Affordability = total initial sales price + total residential utilities for year 1 + total residential HOA fees for year 1

Long-Term Affordability = initial sales price + appreciation

Unit sold at \$300,000 in 2000

- **CPI capped at 3% = \$436,122 appreciated value in 2018**
- **CPI capped at 4% = \$484,618 appreciated value in 2018**
- **CPI+1% capped at 5% = \$576,975 appreciated value in 2018**

Affordability: Initial & Long-Term



	JHCHT		Mercill Partners	Onion Flats		Westmount
# units	24	25	31	30	27	23
Per unit	\$416,272	\$404,912	\$349,140	\$327,656	\$364,062	\$385,369
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Per net worker	\$336,268	\$324,865	\$284,675	\$225,969	\$231,559	\$298,133
Per Res. SF (units, storage)	\$335	\$341	\$498	\$607	\$607	\$446
Appreciation (long-term)	CPI capped at 4% for affordable; CPI+1% capped at 5% for "Gap"		CPI capped at 3%	CPI capped at 3%	CPI capped at 3%	CPI capped at 3%

Livability



	JHCHT		Mercill Partners	Onion Flats		Westmount
Avg. 1 bed	1042 SF	963 SF	498 SF	509 SF	500 SF	756 SF
Avg. 2-bed	1125 SF	1125 SF	763 SF	-	800 SF	970 SF
Avg. 3-bed	1670 SF	1670 SF	-	-	-	1371 SF
Residential Storage	2919 SF, 122/unit	2919 SF, 117/unit	2571 SF, 90/unit	904 SF, 30/unit	904 SF, 33/unit	1250 SF, 54/unit
Common Space	692 SF	692 SF	6700 SF	1470 SF	1470 SF	780 SF
Parking	Covered		Underground	Uncovered		Covered
Other Amenities	Bike racks, indoor circulation for residents		Playground, outdoor BBQ, community garden	Community garden, playground, outdoor BBQ, indoor circulation for residents		Bike racks, indoor circulation for residents

Sustainability

JHCHT	Mercill Partners	Onion Flats	Westmount
LEED Silver	LEED Silver	LEED Platinum, Passive House Certified.	LEED Silver

Rights of First Purchase (ROFP)

JHCHT	Mercill Partners	Onion Flats	Westmount
5 ROFP Offered. These will be subordinate to ToJ ROFP (9 total; max 3 at initial sale).	5 ROFP offered to Teton County.	5 ROFP offered to Teton County.	5 ROFP offered to Teton County.

Strengths/Areas for Improvement Summary



Developer	Strengths	Area for Improvement
JHCHT	Team, residential storage provided, overall design aesthetic	Minimal common space, affordability, large one-bedroom units, risk associated with fundraising
Mercill Partners	Team, long-term affordability, # units, # workers housed, shared common space, residential storage provided, return on public investment, below grade parking	Design aesthetic, outdoor circulation
Onion Flats	Sustainability, # net workers housed, approach to shared common space, team	Pitched roof, smaller size of development
Westmount	Price of ground floor commercial space (if Teton County wants to buy), team, design as it relates to Children's Learning Center	Return on public investment, affordability, # of units

Housing Supply Board Recommendation:

Split with Mercill Partners receiving the most support followed by the Housing Trust and then Onion Flats.

- Mercill Partners – concerns about project aesthetic
 - Have stated they will work with Teton County to improve design aesthetic
- Housing Trust – concerns about affordability and large one-bedroom unit sizes
 - Have stated they are unable to change the one-bedroom units due to building code (windows in bedrooms) and did what they could do in their 25-unit option
- Onion Flats – concerns about overall project size (too small) and pitched roof
 - Have stated they will work with Teton County to change roof pitch if necessary

Housing Director Recommendation:

- All proposals have strengths and weaknesses. Look forward to working with whoever is chosen to get community workforce housing built.
- 65% resident workforce goal lens
- Mercill Partners provides the most units and bedrooms, quality storage, below grade parking and they have stated they are willing to work on improving the design aesthetic.

Next Steps

- Award project today!
- Approve Development Agreement & Ground Lease by September 3, 2019
 - Housing and Legal staff will work with development team to draft these
- Work with JH Historical Society & Museum to coordinate moving existing buildings
- Work with Children's Learning Center to ensure safe access and circulation