



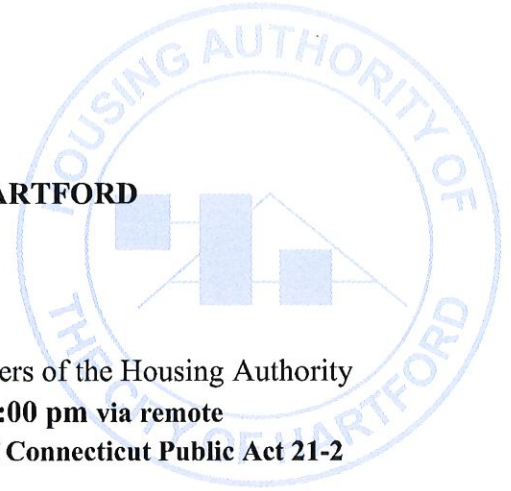
**SPECIAL
BOARD OF COMMISSIONERS
MEETING**

May 17, 2022

Microsoft Teams Meeting

12:00 pm

**NOTICE AND AGENDA
SPECIAL MEETING
OF THE
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE CITY OF HARTFORD
May 17, 2022
12:00 pm
Microsoft Teams Meeting**



This is to confirm that a Special Meeting of the Board of Commissioners of the Housing Authority of the City of Hartford is scheduled for Tuesday, May 17, 2022, at 12:00 pm via remote participation in accordance with the provisions of Section 149, et seq, of Connecticut Public Act 21-2

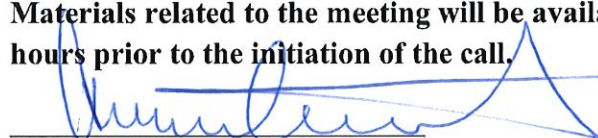
Commissioners, staff, and the public may participate in the meeting by dialing in to the following call-in number and using the following phone conference ID:

[Click here to join the meeting](#)

**Call-In Number: 1 469-998-7233
Phone Conference ID: 361 929 137#**

- I. Roll Call
- II. New Business
 1. Resolution No. 2022-12: Regarding Approval of the Execution of Documents Regarding the Redevelopment of Willow Creek Phase IV
 2. Resolution No.2022-13: Regarding Authorization of Additional Fund Expenditures for Contract No. 1992-21

Materials related to the meeting will be available at www.hartfordhousing.org at least 24 hours prior to the initiation of the call.


Annette Sanderson
Executive Director

AS/mr

DISTRIBUTION:

Noel McGregor Town & City Clerk
All HACH Department Heads
All Area Housing Directors/Housing Managers
All HACH Tenant Groups
Ben Bare, General Counsel
Penny Fisher, CHFA

NOTE: No BUSINESS CAN BE CONSIDERED BY THE BOARD OF COMMISSIONERS OTHER THAN THOSE ITEMS INCLUDED IN THIS NOTICE AND AGENDA.

NEW BUSINESS

**HOUSING AUTHORITY OF THE CITY OF HARTFORD
RESOLUTION NO. 2022-12**

**Regarding Approval of the Execution of Documents
Regarding the Redevelopment of Willow Creek Phase IV**

WHEREAS, the Housing Authority of the City of Hartford (“HACH”), desires to continue the redevelopment of Willow Creek, a residential multi-family housing project owned by HACH located on Granby Street in Hartford, Connecticut (the “Property”); and

WHEREAS, HACH has entered into an agreement with Overlook Village Redevelopment Associates LP (“Overlook”) whereby Overlook will be a co-developer of the Property with HACH; and

WHEREAS, the Property is in the process of being redeveloped with phases 1-3 having received funding awards and Overlook preparing to submit financing applications for the 4th phase (“Phase IV”); and

WHEREAS, various Overlook subsidiary and affiliated corporate entities may also be involved in the development of Phase IV and such subsidiary and affiliated corporate entities are collectively referred to herein as “Overlook,”

WHEREAS, the current residents of Willow Creek, the residents of the City of Hartford and other area stakeholders including HACH will benefit from Phase IV and its addition of approximately 35 units of rental housing in the City of Hartford.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Hartford, at a special meeting held on Tuesday, May 17, 2022 via remote participation in accordance with the provisions of Section 149, et seq, of Connecticut Public Act 21-2, do hereby authorize and direct the Executive Director as follows:

1. Authorize and direct that the Chair, Jeffrey Stewart, and/or the Executive Director and Secretary, Annette Sanderson, (each an “Authorized Signatory”), enter into an option to ground lease the property associated with Phase IV, financing applications (including but not limited to an application for 9% low income housing tax credits) and other related applications and documentation upon such terms and conditions as the Authorized Signatory shall approve (such approval to be conclusively deemed given by the execution and delivery thereof); and
2. Authorize and direct that, on behalf of HACH, either Authorized Signatory execute such other documents as required by potential or actual funding partners (upon award) in connection with the grant or loan of funds, including, but not limited to any other related documents that may be required by funders including an Escrow Agreement, Environmental Certificate and Indemnity Agreement, Certification of Non-Discrimination and any other related documents, affidavits or agreements that may be required and grant any other security interests or liens as may be required by funders in connection with the

foregoing, each upon such terms and conditions as the Authorized Signatory shall approve (such approval to be conclusively deemed given by the execution and delivery thereof); and

3. Authorize and direct the Secretary, to properly expend the awarded funds for the actual development of Phase IV; and
4. That each Authorized Signatory, acting individually, hereby is and shall be authorized, empowered and directed, for and on behalf of HACH, to take or cause to be taken all such further action and to execute and deliver or cause to be executed and delivered, and, if appropriate, file or record, any and all applications, agreements, contracts, undertakings, commitments, consents, certificates, reports, affidavits, statements, and other documents, instruments or papers (including, but not limited to related agreements with Overlook or other contractors), as the Authorized Signatory deems necessary, desirable or appropriate to enter into and consummate the transactions hereinbefore described, and otherwise to carry out and consummate the intent and purposes of the foregoing resolutions and each of them and HACH shall thereupon be bound thereby and any such action heretofore taken by any officers of HACH in connection with the transactions contemplated by the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

PASSED, ADOPTED, AND APPROVED this 17th day of May, 2022.

ATTEST:

Jeffrey Stewart
Chairperson

Annette Sanderson
Executive Director and Secretary

Reviewed and Approved as to Legal Sufficiency:

(SEAL)

Ben Bare
General Counsel

HOUSING AUTHORITY OF THE CITY OF HARTFORD
RESOLUTION NO. 2022-13
CONTRACT NO. 1992-21

Regarding Authorization of Additional Fund Expenditures for Contract #1992-21

WHEREAS, the Board of Commissioners (the “Board”) authorized the Authority to enter into a contract with Amenta Emma Architects (“Amenta Emma”) for architectural and engineering services in support of the Mary Shepard Place demolition and new construction project; and

WHEREAS, the not to exceed amount of the Amenta Emma contract is currently set at \$2.4 Million; and

WHEREAS, the Amenta Emma contract contemplated a development project consisting of the construction of 127 units of residential housing over two construction phases utilizing a 4% Low Income Housing Tax Credit (LIHTC) source of funding as part of the financing; and

WHEREAS, the Authority determined that it would be in the best interest of the project to apply for 9% LIHTC funding as it provides a significantly greater amount of subsidy for the project; and

WHEREAS, the competitive application process for the 9% LIHTC favors projects that include passive house design and market rate units as part of the development; and

WHEREAS, passive house design will enhance the energy efficiency of the units and the additional market rate units will increase the rental income generated from the development; and

WHEREAS, in order to incorporate market rate units, the number of total units proposed for the project has increased from 127 units to approximately 165 units with 132 Units (80%) being affordable and 33 units (20%) being market rate; and

WHEREAS, with the increase in units, it is no longer financially feasible to construct the units in two phases, and therefore, a third construction phase is necessary;

WHEREAS, given the changes in the project scope, which include the increase to approximately 165 units, a third phase of construction, the addition of passive house design, and a 9% LIHTC application, Amenta Emma has submitted revised services proposals which would increase their contract not to exceed amount by approximately \$740,000.00;

WHEREAS, Authority staff has conducted an internal analysis of Amenta Emma’s proposals as well as a cost analysis and has determined that the revised proposals are reasonable;

WHEREAS, the internal/cost analysis is attached to this resolution; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the City of Hartford, at its regular meeting held on Tuesday, May 17, 2022 via remote participation in accordance with the provisions of Section 149, et seq, of Connecticut Public Act 21-2, does hereby authorize and direct the Executive Director as follows:

1. That the not to exceed contract amount for Amenta Emma Architects be increased by \$740,000.00 for a total contract not to exceed amount of \$3,140,000.00.
2. That all other terms and conditions of the Contract remain the same.

PASSED, ADOPTED AND APPROVED this 17th day of May, 2022.

ATTEST:

Jeffrey Stewart
Chairperson

Annette Sanderson
Executive Director

MEMO

To: Annette Sanderson, Executive Director
From: Elisa Hobbs, Development Director
Date: May 11, 2022
Re: Amenta Emma Architects - Revised Fee Proposal

Introduction

Amenta Emma Architects (“Amenta”) has proposed an increase in their overall fee for architectural and engineering services from \$2,373,125 to \$2,988,129. Under the proposal the basic services fee would increase from \$2,066,500 to \$2,663,904, and supplemental services would increase from \$306,625 to \$324,225. This represents an increase of \$597,404.00 for basic services and an increase of \$17,600 for supplemental services.

According to Amenta the change in the base price is attributable to changes to the original design of the Mary Shepard Place (MSP) development project. The development changes are an allowable expansion of the scope of services covered by the architectural services agreement and are attributable in part to the addition of market rate units to the project which will increase the total number of units in the development by 31%. Also proposed is the addition of Passive House Design that will cost an additional \$121,000 in sub-consultant fees.

The total overall fee is now \$3,109,129, which includes the basic and supplemental fee increase of \$615,004 plus the \$121,000 cost for passive house design. This represents a 31% increase over the original fee.

The staff, as well as our development partner and financial consultant, believe that these additions will strengthen the Authority’s application for 9% tax credits which, if awarded, will bring more money to the project and reduce the financing gap the Authority has to overcome with its partners.

Procurement Background and Guidelines

The Authority began the process of soliciting an architect to develop a master plan of development for MSP through the issuance of a Request for Qualifications on July 21, 2021. HUD procurement guidelines dictate that architects are to be solicited via a Qualification Based Selection (QBS) process where price is not an evaluation factor. The selection is made based strictly on qualifications followed by a negotiation on price.

The solicitation was publicly advertised and seven proposals were received by the solicitation deadline. A panel review committee convened and advanced two respondents for interviews. Amenta was selected as the most qualified firm using QBS procedures. Their original fee was

negotiated and final fee deemed reasonable. Amenta was approved as the architect for MSP by the Authority's Board on December 14, 2021.

Additions to an Architect's scope of work is allowed by HUD and the contractual documents. The Architect's Agreement acknowledges in Article 1, Section 1.2 that the services originally assumed for the project may change materially and, in that instance, a price adjustment is allowed. Article 11, Section 11.3 of the Agreement permits changes in price as negotiated by the parties.

Furthermore, HUD Form 5370 "General Conditions for Non-Construction Contracts", anticipates changes within the general scope of work and also allows for price adjustments. HUD Form 51915 "Model Form of Agreement Between Owner and Design Professional", Article E, Section E. 1.2 specifically provides that:

"The Owner shall perform a cost or price analysis as required by 24 CFR 85.36 (f) prior to the issuance of a contract modification/amendment for Additional Services. Such Additional Services shall be within the general scope of services covered by this Agreement. The Design Professional shall provide supporting cost information in sufficient detail to permit the Owner to perform the required cost or price analysis."

Initial Development Plan compared to Revised Development Plan

The initial development concept proposed an in-kind (same unit mix) replacement of the existing 127 affordable residential units and a new community building of approximately the same size, utilizing a 4% low-income housing tax credit source of funding with two phases of construction anticipated.

The low-income housing tax credit is a federal aid that gives investors a dollar-for-dollar reduction in their federal tax liability in exchange for providing financing to develop or renovate affordable rental housing. Investors receive the tax credits in annual amounts, generally over 10 years. There are two forms of tax credits, 4% and 9%.

The 4% tax credit covers an amount approximately equivalent to 30% of a project's construction cost and requires additional project financing via tax-exempt bonds.

The revised development plan proposes the use of 9% tax credits. The 9% tax credit typically covers about 70% of a project's construction cost and does not require a tax-exempt bond allocation. The application process for the 9% tax credits is competitive and there is a limit to the amount of 9% tax credits available each year from the federal government.

CHFA's Qualified Allocation Plan (QAP) application for the 9% tax credit favors projects that promote economic integration by creating mixed income housing. Applicants receive points based on the percentage of market rate housing without income restrictions. The addition of market rate units to the MSP development makes the Authority's QAP application more competitive, and will also generate additional rental income from the development. A total of 167 (20% market rate /

80% affordable) new residential units are now proposed for the development, representing a 31% increase from the original total number of units.

Furthermore, under the revised plan the proposed community center is also 500 sf larger (3,700 sf) than the existing community building and will accommodate more residents in the meeting/function room and include a small computer lab, an amenity not currently provided. The additional units and larger community building has added about 38% to the total gross square footage of the project increasing it from 156,700 GSF to 216,954 GSF.

The QAP also allocates points for Passive House Design. Passive House Design is a construction concept that incorporates building materials and design to maximize energy efficiency by consuming less cooling and heating energy than conventional buildings. The original project was being designed to LEED Silver equivalency. LEED Silver is a green building design that cuts energy consumption to a lesser degree than Passive House.

Passive House is a performance-based certification that is measured by a minimum energy performance threshold for a building. This feature requires designers to include elements in the design that will meet Passive House certification requirements. The incorporation of Passive House will result in increased design costs by the architect's energy sub-consultant, but will allow the Authority's application to score more favorably and improve the energy efficiency of the buildings which will translate to lower utility costs for the Authority and residents.

Explanation of the Fee and Cost Analysis

The architect's fee is calculated as a percentage of the overall estimated construction cost. A standard compensation metric for architectural fees. The addition of the aforementioned design elements increased the estimated construction cost of the project from \$34M to \$46.4M (see Exhibit A and B), which is a 36% increase from the original construction budget. Given the increase in budget, Amenta has reduced their current fee percentage of construction for the project from 6.08% for its basic services to 5.74%, which is a .34% reduction. (See attached Professional Services Fee Comparison). Had the original percentage remained the same, the project would have incurred an additional \$158K in costs.

The additional services fee is broken down into two components: 1) Design fees (schematic design, design development and construction drawings); and 2) Construction fees (bidding, award, construction administration and closeout). As previously mentioned, the proposed additions have resulted in a 38% increase in the total gross square footage of the project and a 31% increase in the number of units. The additional design services for incorporating the added units and buildings into the master plan of development represent only a 20% increase, despite the fact that the additional design elements have increased the scope of the project by 38%.

The bulk of additional fees are found in the construction services portion. As originally conceived, the construction of the development would consist of one demolition phase and two phases of

construction. Given the increased number of units, a third phase of construction is needed due to limitations in the sources of funding available per phase (more units per phase requires more financing).

A third phase of construction means an additional year added to the project and additional time in bidding and awarding the third phase and performing construction administration and closeout activities. The additional fees for construction services amount to a 46% increase and are attributed to the fact that there are no economies of scale as it relates to these services. These activities are separate and distinct among phases. The increase of \$17,600 to the supplemental services is due to the fact that a third as-built survey will now be required for the project.

In sum, the proposed percentage increase in design fees is less than the percentage increase in the scope of work for the project. The increase in construction fees is consistent with the cost of adding a third phase to the project. Lastly, the \$207 cost per square foot of construction for purposes of calculating the estimated cost of construction for architectural fees, and the fee percentage of construction of 5.74% are both deemed reasonable.

EXHIBIT A

Initial Construction Cost Budget for purposes of calculating A&E Basic Services Fee

The initial program proposed 133,475 square feet of residential construction. The total square footage of 133,475 for the residential construction was calculated utilizing the existing number of units (127) and existing bedroom mix (4 - 4 bedrooms, 33 - 3 bedrooms, 77 - 2 bedrooms and 13 - 1 bedrooms) multiplied by the square footage proposed for each unit type.

Unit Type	# Units	Proposed SF	Total SF
4 bedrooms	4	1,600	6,400
3 bedrooms	33	1,300	42,900
2 bedrooms	77	975	75,075
1 bedroom	13	700	9,100
Total	127		133,475

Approximately 15%, or 20,021 square feet of circulation space (inside face of walls to outside face of exterior walls and utility spaces), was added to the square footage. The total square footage of 153,496 SF multiplied by an estimated construction cost of \$215 per SF resulted in an estimated construction cost of **\$33M**. The initial program also proposed a community building of roughly the same size (3,200 gross square feet) at an estimated construction cost of \$300 per SF resulting in an estimated construction cost of **\$960K**.

The total cost of demolishing the existing buildings (204,998 SF) was estimated at \$7.25 per SF resulting in an estimated construction cost of **\$1.5M**.

The resulting total estimated construction cost was **\$35.5M**.

The total estimated construction cost was negotiated to \$34M and the A&E percentage fee was reduced from roughly 6.5% to 6.08% resulting in an A&E basic services fee of **\$2,066,500**.

EXHIBIT B

A&E Revised Construction Cost Budget for purposes of calculating A&E Basic Services Fee

The revised program proposes approximately 180,209 net square feet of residential unit construction. The total net square footage of 180,209 is calculated utilizing the revised number of units (167) and updated bedroom mix (4 - 4 bedrooms, 48 - 3 bedrooms, 102 - 2 bedrooms and 13 - 1 bedrooms) multiplied by the average square footage for each unit type as currently designed (See attached Unit Matrix and Square Footages).

Unit Type	# Units	Average SF	Total Average SF
4 bedrooms	4	1,560	6,240
3 bedrooms	48	1,279	61,392
2 bedrooms	102	1,009	102,918
1 bedroom	13	743	9,659
	167		180,209

There is approximately 33,045 square feet of circulation (outside face of exterior walls, building stairs, sprinkler rooms, etc.) added to the square footage, plus an additional 3,700 square feet for the community building, yielding a total square footage of construction of 216,954. The total square footage multiplied by an estimated construction cost of \$207 per SF results in a construction cost amount of **\$44.9M**.

The estimated cost of demolishing the existing buildings (204,998 SF) has remained the same with an estimated construction cost of **\$1.5M**.

The resulting total estimated construction cost is **\$46.4M**.

Amenta Emma has reduced the fee percentage of the construction cost from 6.08% to 5.74%, which represents a 0.34% reduction. The revised fee percentage multiplied by the estimated construction cost of \$46.4M results in a revised total basic services fee of **\$2,663,904**.

**Hartford Housing Authority
Mary Shepard Place Redevelopment
Professional Services Fee Comparison**

	AE Final Contract Nov. 16, 2021	ADDITIONAL SERVICES Updated Fee R2 May 3, 2022	NOTES
Construction Cost (including demolition)	\$ 34,000,000	\$ 46,409,478	36% increase
Total Gross Square Footage	156,700	216,954	38% increase
Unit Count	127	167	31% increase
Design Fees: SD, DD, CD	\$ 1,343,225	\$ 1,607,977	20% increase in design fees
Construction Fees: Bidding, CA, & Closeout	\$ 723,275	\$ 1,055,927	46% increase in CA fees
Total Basic Services Fee	\$ 2,066,500	\$ 2,663,904	29% increase
Fee increase (from AE Final Contract - 11.16.21)		\$ 597,404	

METRICS			
Fee Percentage of Construction Cost	6.08%	5.74%	0.34% reduction
Fee per Gross Square Foot	\$ 13.19	\$ 12.28	\$ 0.91 / gsf reduction
Fee per unit	\$ 16,272	\$ 15,952	\$ 320 / unit reduction

UNIT MATRIX AND SQUARE FOOTAGES
(05.05.22)

BDG + UNIT TYPES + BEDROOMS						NET SQUARE FOOTAGE (Inside face of exterior wall. Does not include stairs and sprinklers)			GROSS SQUARE FOOTAGE * (Outside face of exterior wall. Does not include stairs and sprinkler rooms)				BDG STAIRS + SPRINKLER ROOM GSF	GROSS SQUARE FOOTAGE (Outside face of exterior wall)	
BDG TYPE	TOTAL BDGS	UNITS PER BDG	UNIT NAME	TOTAL UNITS	BED-ROOMS	UNIT NSF	TOTAL UNIT NSF	BDG NSF	UNIT GSF	TOTAL UNIT GSF	BDG GSF	TOTAL GSF		BDG GSF	TOTAL GSF
A	3	3		9	3	-	-	2,261	-	-	2,485	7,455		2,874	8,622
	1ST FL.	1	A-1A	2	1	746	1,492	-	809	1,618	-	-	17 ^a + 133 ^b = 150	-	-
			A-1B	1	1	746	746	-	809	1,618	-	-		-	-
	UPPER FL.	2	A-1X	6	1	769	4,614	-	838	4,614	-	-	239 ^b	-	-
B	10	6		60	6	-	-	5,892	-	-	6,236	62,360		6,975	69,750
	1ST FL.	2	B-2A	10	2	980	9,800	-	1,038	10,380	-	-	20 ^a + 229 ^b = 249	-	-
			B-2B	10	2	980	9,800	-	1,038	10,380	-	-		-	-
	UPPER FL.	4	B-2X	40	2	983	39,320	-	1,040	10,400	-	-	490 ^b	-	-
C	9	6		54	11	-	-	7,256	-	-	7,640	68,760		8,510	76,590
	1ST FL.	2	C-3A	5	3	1,265	6,610	-	1,329	6,645	-	-	24 ^a + 346 ^b = 360	-	-
			C-3B	13	3	1,265	16,445	-	1,329	17,227	-	-		-	-
	UPPER FL.	4	C-2X	18	2	1,085	19,530	-	1,143	20,574	-	-	510 ^b	-	-
			C-3X	18	3	1,278	23,004	-	1,348	24,264	-	-		-	-
BC	6	6		36	14	-	-	6,630	-	-	7,019	42,114		7,825	46,950
	1ST FL.	2	BC-2A	1	2	989	989	-	1,048	1,048	-	-	38 ^a + 297 ^b = 335	-	-
			BC-2B	5	2	989	4,945	-	1,048	5,240	-	-		-	-
			BC-3B	6	3	1,276	7,656	-	1,343	8,058	-	-		-	-
	UPPER FL.	4	BC-2X1	12	2	985	11,820	-	1,047	12,564	-	-	471 ^b	-	-
			BC-2X2	6	2	1,083	6,498	-	1,147	6,882	-	-		-	-
			BC-3X	6	3	1,312	7,872	-	1,387	8,322	-	-		-	-
D	2	4		8	13	-	-	4,552	-	-	4,883	9,766		5,671	11,342
	1ST FL.	1	D-4A	1	4	1,549	1,549	-	1,640	-	-	-	20 ^a + 308 ^b = 328	-	-
			D-4B	1	4	1,549	1,549	-	1,640	-	-	-		-	-
	UPPER FL.	3	D-1X	4	1	710	2,840	-	754	-	-	-	460 ^b	-	-
			D-4X	2	4	1,583	3,166	-	1,735	-	-	-		-	-
TOTAL	30		-	167	-	-	-	26,591	-	-	28,263	190,455		31,855	213,254

a = SPRINKLER ROOMS

b = STAIRS