

Housing and Neighborhood Committee Conference Call
Approved Meeting Minutes
January 12, 2024
9:00 a.m.

PRESENT:

Members Present via Microsoft Teams: Randal Davis, Bob Patricelli and Commissioner Selia Mosquera-Bruno

Other Board Members Present via Microsoft Teams: Board Chair David Robinson and Mayor Arunan Arulampalam

Staff Present via Microsoft Teams: Mike Freimuth and Kim Hart

Guests Present via Microsoft Teams: Pat Pentalow (Hartford Economic Development Director), Matthew Straub (Hartford Housing Director), Michael Hussain and Steven Hussain (GRH USA), Daniel Klaynberg (Spectra Development), Vincencia Adusei (VASE Construction), Geoff Person (Grow America) and Calvin Richardson (Hartford Community Loan Fund)

The meeting was called to order by Mr. Davis at 9:03 a.m. and the minutes of the November 3, 2023 meeting were approved on a voice vote.

1. **Project Updates** – Mr. Freimuth presented three new projects to the Committee:

- a. **169 Bartholomew** – This project will convert an 85,500 square foot vacant industrial property in the Parkville neighborhood into 100 residential and five commercial units. Total project costs are estimated at \$39 million and the developer, GRH USA Properties, has begun clean-up and environmental work on the site. They are requesting \$6.25 million in CRDA assistance, with the balance funded through State and Federal historic tax credits, brownfield grants, developer equity and conventional financing.

Mr. Michael Hussain from GRH reported that they are speaking with banks about conventional financing, noting that their project’s proximity to the 235 Hamilton Street project has been a selling point. Their architect is working closely with historical officials and they have approached the City about a tax deal. GRH has used approximately \$1 million of its own funds for acquisition and they anticipate contributing an additional \$1 million. Mr. Hussain noted that units will range from micro to two-bedroom and 20% will be designated affordable.

Mr. Davis noted that the Parkville neighborhood is considered a “transformative area” and projects such as this are a priority for the City.

- b. **17 Wells Street** – This project represents Phase 2 of the 525 Main Street project and includes construction of a new 126-unit residential tower on the vacant lot facing Bushnell Park at Pulaski Circle. The eight-story building will include two levels of parking that will service both 525 Main and 17 Wells. Total project costs are estimated at \$32.4 million.

Mr. Klaynberg of Spectra Development noted that his company has renovated over 500 units to date in Hartford, with 17 Wells as its first new construction in the City. The unit mix will include studios, one – and two-bedroom units with significant amenities and 20% designated as workforce housing. Mr. Klaynberg reported that Spectra is in discussions with the bank that handled financing for 525 Main and 275 Pearl and they have expressed interest in the new project.

Mr. Davis noted that the City is aware that a tax agreement and a formal land development agreement will be needed to make the project work and he indicated that Mr. Pentelow and Mr. Straub would be working with the developer on those issues. Mr. Person reported that Grow America is currently reviewing the project on behalf of the City and would reach back out to the developer.

In response to a question from Mr. Patricelli, Mr. Freimuth explained that “affordable”: housing units are designated for tenants earning between 50% and 120% of the area median income (AMI), while “workforce” housing units represent between 80% and 120% of the AMI.

- c. **94 Edwards Street** – VASE Construction has proposed a new 20-unit building on this vacant site in the Clay Arsenal neighborhood. Currently owned by the City, this lot is adjacent to a renovation project recently completed by VASE. Total development costs are projected to be approximately \$5 million and the developer is seeking \$1.2 million in assistance from CRDA to close the gap between a proposed \$3.5 million first mortgage and developer equity.

Ms. Adusei shared photos of the site, as well as a site plan and rendering of the new building. She indicated that VASE was working with the City, Grow America and the Hartford Community Loan Fund to secure the necessary funding, as well as land acquisition and tax deals. Ms. Adusei indicated a fire destroyed the structure that previously occupied the site and, after demolition, the City conducted an environmental study of the site. Mr. Freimuth noted that the site is a double lot and will need to re-subdivided at some point.

Mr. Richardson, who worked with VASE on the earlier Edwards Street project, expressed his support for this project and his confidence in VASE to see it to completion.

Mr. Freimuth noted that, as with previous projects, each of these will require City signoff before CRDA proceeds with any assistance. He explained that new projects are typically presented to the Committee informally, to identify any questions and solicit members' feedback. Once an assistance package has been drafted, the projects are put before the Committee and later the full Board for formal approval.

Mayor Arulampalam expressed his support for new housing in the City, noting that this would be priority for his administration.

In response to a question from Mr. Patricelli, Mr. Freimuth noted that CRDA has seen an average construction cost of \$250k per unit for less complex "stick built" projects. The Edwards Street project, being new, stick-built construction on land acquired from the City, is one of the simpler projects on CRDA's plate. Mr. Freimuth noted that construction costs for more complicated conversion projects in existing buildings could run between \$300k and \$400k per unit.

Mr. Freimuth also noted that he would be meeting with DOT to discuss proposed upgrades to Pulaski Circle. In addition to abutting the Wells Street project, traffic and drainage improvements to the Circle could impact master planning for the Bushnell South project.

II. **Other Projects** - Mr. Freimuth noted the following:

- Funding for the 31-45 Pratt Street project has been approved by State Bond Commission and CRDA is hoping to close in the next couple of months.
- Fuller Brush is under construction.
- The renovated Hilton and new residential units are expected to open in March.
- 65 Elm will be a new project, following up on Spinnaker's conversion of 55 Elm, which is expected to open mid-year.
- 525 Main and 275 Pearl are also expected to open mid-year.

The next meeting of the Housing and Neighborhood Committee is scheduled for February 2, 2024.

There being no further business, the Committee adjourned at 9:46 a.m.