

RESOLUTION NO. _____

**APPROVAL TO RENEW SPECIAL PROJECTS CONSULTANT CONTRACT WITH
HAIRGROVE CONSULTING**

Item No. 5B

WHEREAS, funds have been received from the U.S. Department of Housing and Urban Development under the Section 8 Program, which may be used for Program-related consulting services when necessary in the course of agency operation; and

WHEREAS, in July 2020, LMHA staff, in accordance with LMHA procurement procedures, awarded a contract to Hairgrove Consulting for a period of one year to provide consulting services for special projects, including the development and implementation of the Project Based Voucher program that was launched in conjunction with the Choice Neighborhoods Implementation (CNI) grant program; and

WHEREAS, the contract awarded to Hairgrove Consulting included an option provision whereby LMHA may renew the contract up to four additional years.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS, that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to exercise the second option to renew the contract for Special Projects Consultant with Hairgrove Consulting with a not-to-exceed fee of \$110,000.

RESOLUTION BACKGROUND STATEMENT

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I. STATEMENT OF FACTS:

The Louisville Metro Housing Authority periodically requires the services of a special consultant in the course of agency operations. After undergoing a competition request for proposals process, LMHA awarded a contract for a Special Projects Consultant to Hairgrove Consulting in July 2020.

Hairgrove Consulting's originally developed and now leads the off-site project-based voucher (PBV) replacement housing component of the Beecher Terrace Choice Neighborhoods Implementation grant. The firm's on-going participation is essential to completing the required 442 off-site Beecher Terrace replacement units by the September 21, 2023 deadline. A total of 937 PBV units are now in the off-site replacement housing pipeline as a direct result of Hairgrove Consulting's efforts.

The original contract, based on an annual fee not to exceed \$100,000, included an option allowing LMHA to renew the contract for four additional one-year terms. This resolution seeks approval for the second of these potential one-year renewals.

The contract also includes an option to increase the primary consultants hourly rate by 10% at the time of the second contract renewal. Based on Hairgrove Consulting's exemplary performance and progress in meeting the required CNI grant goals, and the anticipated increased workload that will be required in the final months of the grant, an increase from \$100 to \$110 in the hourly rate and from \$100,000 to \$110,000 in the not-to-exceed limits is being sought with this resolution. While the amount expended from this contract between August 1, 2021 and June 30, 2022 has only been \$52,270, an increase in their services is anticipated during the final months of the grant. Hairgrove Consulting has also hired a sub-contractor to assist with administrative tasks to keep pace with the anticipated increased workload.

The LMHA Procurement Committee has sanctioned this increase and contract renewal.

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II. ALTERNATIVES:

- Approve the increase and renew the contract with Hairgrove Consulting for one additional year by exercising the second renewal option.
- Do not approve the increase and renew the contract with Hairgrove Consulting.

III. RECOMMENDATION:

Staff recommends Alternative "A."

IV. JUSTIFICATION:

- Hairgrove Consulting was instrumental in the development of LMHA's project based voucher housing program and off-site housing replacement plan for Beecher Terrace, and has the lead role in implementing this extensive component of the Choice Neighborhoods Implementation grant.
- Hairgrove Consulting has specialized expertise in the Section 8, Low-Income Housing Tax Credits, and other affordable housing programs. Their primary consultant has worked for the Kentucky Housing Corporation, HUD Kentucky Field Office, and Louisville Metro Government's Office of Housing and Community Development.
- The hourly fees proposed by Hairgrove Consulting and the annual not-to-exceed amount have been reviewed by staff and found to be reasonable and acceptable.
- LMHA can enjoy the full benefit of the option clause by executing a simple one-year contract renewal.
- Hairgrove Consulting is a qualified WBE firm that is able to perform the needed services.

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IV. JUSTIFICATION (cont'd):

- Hairgrove Consulting's one sub-contractor retired from Louisville Metro Government where they worked on Choice Neighborhoods related tasks. The sub-contractor is also a women-owned business, although they are unable to receive WBE certification at this time.
- Hairgrove Consulting has a wavier pending for MBE/WBE/DBE and Section 3 participation.
- LMHA staff completed the Contract Renewal Evaluation Form. This vendor received an overall rating of Above Average (Above Average/Average/Below Average).

V. BUDGET APPROVAL:

Funding for this project is provided from the Section 8 Program.

Aaron Dean, Director of Finance

Date

VI. PROCUREMENT CERTIFICATION:

The procurement of this contract is in compliance with the Louisville Metro Housing Authority's procurement policies and procedures.

Steven Webb, Purchasing Agent

Date

Prepared and Submitted by:

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July 19, 2022