

Unedited Transcript of Public Works Committee Meeting - August 2, 2022

"Chair George"

Call to Order the Public Works Committee.

Please forgive the delay we're all getting used to the technology. This is also good time to announce that. We've been joined by Councilman Arthur.

Please continue ma'am. So so, in short because of the damage, um. The property, uh, the fact that a minute mad press, the commercial business next door, they proposed that Metro proposal to sell to shares a party wall with the property,

A motion was made by Committee Member Hollander, seconded by Commimittee Member Flood to approve this Resolution.

"Chair George"

Okay, excellent. I see that we are joined by Mr. Batliner or I don't know. Mr. Batliner or if you want to.

"Latondra Yates"

Excellent I see the list of questions. The appraisal came in. We got the appraisal today that came in at 118,000 dollars. Mr. bank line or the owner of minute, man press provided a rehab estimate of 200,000 dollars. That doesn't.

and the appraised value versus the cost to make the building habitable and functional. Those things are factored into metro's decision to sell this property to minute, man, press 4 dollars.

Speak to what the proposal is, or what your plans are.

"Thomas Batliner"

Uh, yeah, I can speak to that. I mean, the plans are to rehab the, the To to a usable space for our business.

As well, as possibly another business within the area, if, because we won't be able to use right now, we, we don't need all all the space.

Um, but we need most of it, so the plan is to rehab.

to, or maybe a possible tenant for small office space.

"Chair George"

So that's the plan with the building is to expand our business into it. And and and facilitate the building, that's not being used.

Okay, thank you.

"Committee Member Ackerson"

You Madam chair 1st of all you said material acquire this property you say 180.

" Latondra Yates"

Yes, and I Katie, I pulled the deed.

And I think we valued it back, then it just under 70,000 dollars. So that's 80, 42 years ago. We valued it about 70,000 dollars.

"Committee Member Ackerson"

Now, I'm upset that we didn't sell it previously.

Somebody else was giving us a a competitive bid that was under fair market value, but still 1 dollars.
Well, below fair market value, so I'm concerned about how the city handles surplus properties in this instance.
You said that it was appraised presently for some 2 days appraisal that came in today at 100. what.

"LaTondra Yates"

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118,000 dollars 118,000 dollars that's the value of the property in the current state that it's in. Correct?

"Committee Member Ackerson"

Yes. Okay. And so I recognized no offense. Mr.
But I recognize you may be looking to put 200,000 dollars into a property that's worth 117,000.
To turn further profitability on that, including becoming a landlord.
By making someone an office space that you might rent, but I just have real concern that this city will throw away something that has 170,000 dollars.
For 1 dollars to me that's ridiculous.
No offense to you, Madam, because you're doing your job and that's what what.
The system set up for the system's broken.
If you come to me and say that this is a charitable organization and, and.
They're going to do this, or that I might consider you come to me as with the 80 T building and say, or the building that was.
With some bonds, since we need to give it back to them.
I can consider, but under this present situation, given away a 117,000 dollars building.
For 1 dollar on the argument that they're going to put 200,000 dollars To fit their needs. Well, that's business and to be handing it off to someone who.
Under that scenario to me is political perversion.
At its worst, that's all I have to say. I'm sure we have a building here. That's worth a lot more.
We should be giving away things for a dollar. If nothing else. If it's worth 117,000 dollars, we should give away for 50 or 60,000 dollars.
With the head of moving it, the buyer would still make out like, abandoned.
In this city, we put money in the coffers for other needed affairs.

"Thomas Batliner"

Thank you may I give a comment on on some more information on the building.

"Chair George"

Before you do, let me go down the queue. Please. Okay. Sorry.
It's okay. Council member Dorsey.

"Committee Member Dorsey"

Thank you Madam chair. I am inclined to. Agree with

Councilman Ackerson I think we've seen this.

Excuse me councilman for Darcy we're having a hard time hearing you. Can you hear me?

"Chair George
That's much better.
Thank you.

"Committee Member Dorsey

It must be done. I'm inclined to agree with councilman Ackerson. I think we have seen this before with numerous buildings, and we do know many times we have not necessarily invested capital wise to maintain buildings.

But what I am interested in is actually, what is the value? What is the assessed value of the property?

We have mechanisms in place through global Metro, for economic development incentives and we see those come through committee all the time.

But in the case of acquiring property, I do think that we need to give this a 2nd look, I am interested in everything from how do we determine who gets surplus property?

How frequently are they going back for other economic development incentives? So, if it's going to grow the company.

They're going to hire additional employees. Are they coming back later on for tax deferment? So what I'm really particularly interested in is that we create a protocol that there doesn't seem to be 1 for this.

And I think there has been a clear, um.

Admonition from the council that when we do see these types of transfers come through, we will really understand if it's being given away for a dollar.

I love councilman analogy that we aren't a charitable organization, but we really just want to understand what is the fair market value for what it should be sold for.

We appreciate doing business in the city, but everyone in anyone is buying parcels. I can tell you and it was Louisville even though.

People may want to give away property for a dollar. People are calling every day to buy property. So, I'm really curious as to understand what is the market rate for it. What should we be getting for it.

What is it value to act and then also understand when we provide these types of what they exactly what they are economic incentives.

Are we putting that in some type of cache where we're understanding if we've done this if we're giving it for 50% of the value that you're not coming back and doing an economic incentive for tax break for so many years et cetera we don't

have that type of overall view. So right now I'm not inclined until I have more information as to what is the overall process and as to how we evaluate who we. we

Steve these parcels and have more of a strategic plan in place, but the 1st thing I really want to understand is VSS value and I think I heard a number. I'm not sure what that number was in relation to.

But what is the extensive value of the current property?

Thank you and would you like to speak to the SS value again?

"Latondra Yates"

Sure, excuse me the assessed value. The PVA success value is currently 69,500 dollars. The appraised value is 118,000 dollars.

"Committee Member Dorsey"

Assessment of price Thank you very much Madam chair.
Okay, thank you.

"Purvis, Donna"

I am a little confused right now, because I was in the queue. The whole time that I wasn't in the meeting, I don't know what happened, but I missed the young lady's presentation as I have put in the queue who is speaking and also technology that I am on the meeting. I never received any acknowledgment for being in the meeting as other council members were.

"Chair George"

So, uh, for the record councilman Purvis is in the meeting,

"Council Member Purvis"

I would like to know what is the intended purposes for this property that the city has declared a surplus. Certainly encapsulated before you were acknowledged as having been in the meeting, ma'am if you would please state your name who you're with and the recap of the project.

"Latondra Yate"

Sure, property and leasing administrator with the office of housing and community development. Um, this property just too.

To give a quick summary is located uh.

On bardstown road and 6 mile lane, just south of the South Southeast family YMCA and we acquired it back in 2000. I'm sorry back in 1980 and for, um.

Until 2008, we were releasing it, um.

349

To sit, senior citizens East and the Shamrock foundation. Um, and it has been vacant since then it has sustained a lot of water damage and moisture damage.

Um, the appraised value of 118,000 dollars in metro's decision, um.

To to propose to sell this property to the adjoining business. 4 dollars was due to the cost of rehabbing the building to make it even functional. The person we proposed to sell it to the owner Mr Batliner of minute man press gave us a rehab estimate of 200,000 dollars. So we weigh that against the appraised value of 118,000 dollars.

Um, and the fact that we currently do have a disposition. Uh, this is. New information, kind of in response to some of the feedback that we've received metro does have a disposition policy. So we do have policies and procedures for selling metro property properties over 7,000 square feet. Usually go through an solicitation of interest this property, given the fact that it had already come through the pipeline before those, those policies were established.

We've made a judgment call because of all the damage trying to get it back into productive. productive

So, that's where we got the proposal to sell 4 dollars to who shares a party wall with our building.

"Council Member Purvis."

Okay, so minute, mad press is a for profit entity, correct?

Yes, okay. So I have to agree with my colleagues councilmen and councilwomen Darcy if this was something and I'm not on the committee.

So, I don't have voting privileges, but I do, I would like to offer my opinion if this organization was a nonprofit that was given something back to the community, I could understand,

but this property does have some value to it.

And we have so the city itself we have, so properties are to nonprofit.

Uh, entities here in the West end, uh, that high dollar amounts for property, then, in my opinion, probably should have been given to them.

So, I, I don't know if I'm comfortable agreeing to a surplus property for a, for profit entity, whereas we have had nonprofit entities.

Purchase properties, so that is my comment. Thank you.

"Committee Member Ackerson"

Thank you and may ask it as a reminder. You may have mentioned this but how was the owner identified?

Just want to be sure I understand the potential owner. How do we identify Mr Batliner? Or how did we decide? Did we find him.

"Latondra Yates"

Economic development had approached him several years ago about buying the property.

"Committee Member Ackerson"

Okay, thank you. Mr. Batliner I know you something you wanted to say in response?

"Thomas Batliner"

Yes. Uh, the shared wall that miss jake's referred to is not a shared wall.

Uh, due to a title search from my bank, I own that wall.

So, therefore your building has 3 walls.

Also, the parking lot that is in the rear of the building that borders all the way up to the back of your building. I own.

Your building has 1 parking space on the front 20 feet.

Is about all the access there is to that building. So the building is virtually landlocked.

Also, my waterline runs through your building, so therefore.

Local metro needs to maintain their building.

With a proper roof in heating, so my waterline does it freeze.

Because if it freezes my insurance company.

Is probably going to have a little bit of a battle with you on that if it floods my space.

So that's my comments. I understand all your roles.

Position and I respect them, so, but that's just a little bit more history on the building.

And all of these concerns have been expressed to initiates and the economic development.

Uh, personnel, uh, in the process of getting to this meeting. So.

I'll leave it at that. Thank you. Council member.

"Committee Member Flood"

Thank you Madam chair. This is kind of a question for Mr. and if she might know, I was just looking at it on Google Earth. And it appears that is part of the roof missing on a section of that building.

"Thomas Batliner

Mr, yes it's coming apart.

It looked like that and it looked like even the bigger structure there was something deteriorating very badly and I'm assuming.

These are not new Google Earth. Google Earth pictures is not necessarily new. I'd like to go out and look at the building because I find it hard to believe that it would be worth.

As much money, as you're saying, with as much damage as it looks like on Google Earth and that's not a great picture.

"Thomas Batliner"

This saying the building is in very disrepair. It has to be, um.

The roofing has to be totally come off, um.

It has to be totally got it. And the only thing you're really saving is the concrete block in the concrete floor.

"Committee Member Flood"

It appeared the building.

The entire light that the tube, there's like a long building and a little building to the side. Is that correct?

The lot is the entire building.

"Thomas Batliner"

yeah, your lot is just a building only with a small parking space on the front.

"Chair George

Thank you council Member Dorsey.

Yes, I forgot who was speaking to this? What were we receiving on the lease? Um, do we know what the value was of the lease where we.

You know, leasing it for a dollar. What what if any revenue were we getting during the lease period.

I have a draft of the lease here, but, um, for the, you know.

For the sake of time and accuracy providing an accurate answer, we could research that and and, uh.

Is there any ballpark estimate? Uh, bear with me just a moment. I'm just kind of skimming to see if there is.

I don't okay and then, do we do we understand also considering the building being and disrepair, what the costs for demo would be and here Here's my, um.

My position going back to councilman purpose, there have been properties that have been purchased that have been in disrepair that we have had nonprofit groups purchase.

We understand rents are going up housing rates are growing up. So even though ability may be in disrepair, what I'm also interested in is what's the demolition costs and looking at everything else associated with it? It's not just the cost of repair, but the costs.

There are options for this property all I'm looking at simply as the fact that again we're looking at giving something away in a time where God is not creating any more lanes when my daddy used to tell me.

And so, at this point, when we're looking at just giving things away, even though we understand the condition and disrepair, I've just purchased an apartment building in West level that was vacant for over 30 years that had to be good at new roof.

And down to the sides.

And able to do that, and then turn around and make a profit. So I understand that. And I'm just little kiesha. So we want businesses to thrive here in Louisville but we also want to act as a business entity. And so as such, I think we have an, oh, it 2 taxpayers, including Mr. to actually make sure that we do this fairly. So if we got a PDA, if we could get somebody like pork.

Been there for everybody who don't know pork chop is from moving forward to actually go and give us an estimate of what it would cost to repair because right now it seems the only numbers we have are. Mr.

so, what are our numbers for cost repair cost of demo and get us a fair price? And I say us meaning Mr. as well he's a taxpayer. So let's make sure that this is a fair deal all the way around.

For every single person, I don't think we should be giving anything away, but I do think we should do this fairly.

"Chair George"

Thank you Councilman Ackerson

Thank you Madam chair colleagues. The way this should be happening is we should be putting a for sale sign out there and let the market drive when it's going to happen.

You know, when I hear 117,000 dollars, I'm hearing how terrible the condition is.

Well, I know this, a professional appraisers gone out there looked at how terrible the condition is.

And the praise of 117,000 dollars, I don't have to see this property.

I'll tell you right now.

I'll give you 10,000 dollars cash tonight for this that's 10,000 dollars. 10,000 times what we're doing and I'll take it. And without seeing southern seed, I'll make money on this building.

So, knowing that we are idiots.

The way we're handling things plain and simple and I put that offer out there.

Fairs it gets, I can deliver 10,020 minutes to this building cash and I'll take it off your hands for this exact same deal that you get. Mr. boundry. That's 9,999 times better. And you could probably do better than what I'm offering you.

We've got to stop this. I'm a no vote on this. I'm going to vote on unless you come to me with something in the future that deals with a nonprofit or some charitable organization, or some other particular tie that really makes it.

A need to move it we need to start putting for sale sign out there.

And move it at a market price and let the economy decide this versus. I don't know how this is really getting decided, but again we're back to. I'll give you 9,900 dollars and 99 cents more than what you're being offered right now sight unseen. Just by our conversation here and I will make out, like, abandoned Thank you. Thank you, um.

"Chair George"

What I'm hearing is a lot of energy around. Questions and I'm hearing concerns, uh. Obviously, there were some lingering questions around, uh, building conditions. The demo costs, um, the value of the lease and what revenue. Has been collected and so at this point, given the amount of concerns and given the questions that are still pending, and the fact that we don't have the, the sponsor here, I'm assuming this is in district 10. Yes, at this point, I would motion to table this. And ask the Chief O'Brien and. Councilman Mulvihill come in addition to the questions that council members Darcy and purpose have asked.

George motion to table 2nd by Council Member Dorsey, all right all those in favor.

I. All right. Thank you. Very much miss for being here

"Committee Member Hollander"

Madam chair. I was in the queue and just wanted to say 1 thing about when this comes back. Um, 1 of the things I'd, I'd like to hear from his risk. We've just heard from Mr Batliner about potential risk. I have no idea if that's legitimate. Or if we really are at risk. But I think risk got to look at this and and help assess that. I mean, that could be important. I'm inclined to. Also think that a, for sale sign is a way to go here, but. But I think we ought to assess risk.

"Chair George"

Thank you. Excellent. Added to the list of questions. So I also just wanted to make note. I did not have anyone in the queue. So I want to make sure that.

From a tech standpoint, we're getting folks who are queued.

176 "Brown, Marissa" (2644718592)

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Okay. All right. Thank you for being here.

"Chair George"

Next we have item number 3. Oh, Dash 102 Dash, 22 and ordinance amending the loyal Jefferson County, Metro government code of ordinances. Chapter 119 regarding the registration of rental housing to include and assign the director of legal metro codes and rigs or designee further administration and enforcement duties regarding the registry of rental housing units. May I have a motion to untable? Vice chair, Benson and 2nd, by Councilman Hollander

"Chair George"

At our last discussion at our last committee meeting, we discussed the problem to be solved as it relates to creating more.

Accountability and consistency within.

The housing units that are rented, we presented the ordinance, which essentially.

Had 6 enhancements the 1st enhancement really just increase the cost of doing business.

The 2nd is that it adds a layer of transparency for neighbors.

The 3rd is that it adds a layer of commitment in the way of us. We're an affidavit from those.

Renting the units the 4th is that it adds a proactive inspection component.

So that we move away from a complaint driven system that is that is burdensome.

Based on those living substandard housing.

The 5th is that it creates incentives.

For quality, and the 6 is that it enhances penalties.

At our last meeting, we opened the floor to questions and since that time we've collected approximately 33 different questions.

I see that we have director Kirchdorfer over here today as well as Laura Gobarski. Perhaps if you want to come forward, we did not hear from you last time and I want to make sure.

In the little amount of time that we have today that you guys have the ability to attest to the concerns that brought about the need to amend our existing ordinance and perhaps answer some of the questions that we. Initiated last time

"Robert Kirchdorfer"

I'm Robert Kirchdorfer director of codes and regulations.

This ordinance, it's a big undertaking. I mean, uh, with our department, we put the number of staff that we have, and we have proposed what we.

We think, uh, we would need to.

You'll do adapt this ordinance into our organization to make the inspections based on the ordinance currently as written. I don't know where it's going to end up but, I mean, based on, trying to do 10% of the.

The rental units and staffing kind of compared to our current, uh.

Section 8 program that we do with the housing authority with our agreement, making those inspections, look at the numbers and.

We determined an amount that we've submitted, and the number of staffing to set that up additional reporting requirements in this.

Throughout the years we already have a program in place that someone could call. However, as I think most people know that.

Most people don't call, people are afraid to call, or, uh, every day we're out there and we, we discover units going to units that are in disrepair and, you know what corrective actions is needed.

So, uh, this would be proactive, uh, trying to go in those. So, it'd be a major change than what we've been. We've been more reactive.

So, that would be a positive change for that. That would be a different way of doing work.

Uh, but it would take additional staff, um.

A big undertaking, uh, I still don't know if there's trying to get into these units. Uh, you know, they're. How much enforcement trying to get in to make the inspections I see. Um, challenges at that of, of trying to get in all these at 1st, how many years it will take us to. It would take us probably about a year to get equipped to do this. It's, you know, equipment, programming. Hr, uh, hiring folks getting, uh, cars or a big issue now, days, trying to get those in. So, those are some of the hurdles that we're getting in. And to, but, um, I'm here for other questions to get more detailed, but, I mean, just an overview there.

"Chair George"

Excellent, thank you. I know at our last meeting, we heard from Natalie Harris, the Coalition for the homeless, and she had 2 specific requests that had come up in the way of things that they wanted to see to advance the work.

And since we have our Grabowski here today, I think it would be good to hear from her. Those 2 pieces involved, the rental rehab program as well as the creation of a rental escrow account. So, if you will please. State who you are, and maybe share a little bit about those 2 pieces in the way of what we could do to advance. And its relationship with the rental registry is proposed.

"Laura Grabowski"

Laura, the director of the office of housing and community development. So the 2 questions that.

I know we've talked about especially the 1 that came from Natalie.

We do have a rental rehab program I know are familiar with our homeowner repair program.

This is similar to that, but it's for, for landlords the larger program that we run has to do specifically with lead based paint and this is county wide.

So, if you're if you're a landlord, you have tenants, even if the units are vacant. But most of the time, when they, when investors applied there are.

Hello.

Families with children, living in there any way they can apply for up to 17,000 dollars a unit to participate in to make the unit led safe.

Um, and there are details that go along with that eligibility, but that is definitely available. Uh, the city applies for and receive that grant from housing and Urban Development every 3 years or so.

And it's, it's, it's a great resource. And 1, that's not not always used on the investor side.

Then, for a few years, we've had a rental rehab program that is not specific to lead.

It's, uh, but it has been specific to the rest of the neighborhood and now a larger area of at risk neighborhoods.

And again, these are for landlords, a single family or multi family, and they are grant funds the landlord and return agrees to keep the units affordable for a particular period of time.

You know, as we're talking about the rental ordinance and the rental registry, there are some resources out there. We understand that. Not all landlords have the, the Capitol to, um.

Uh, to keep up their units or, you know, aren't keeping up their units for a variety of reasons. So, these are resources that that are available.

"Chair George"

Thank you as it relates to the rental rehab program and the, beyond the lead based. Can you tell us? I mean.

What are we looking at it in the way of funds available and who's taking advantage of that?

"Laura Grabowski"

Sure, so we've had we've had this open since 2017. it's normally funded through the community development block grant program. Landlords are eligible for 10,000 dollars a unit.

If it's a multi family or 20,000 a unit if it's 1 single family. if it's one single family

And we have, uh, because it's been, um, just launched, not just lunch, but it's only been available in the Russell neighborhood. We've had. about four hundred and fifty thousand dollars over the past few years and those projects are either completed or or under underway um in this year's budget there is a million dollars set aside for that rental rehab program um for for out at risk neighborhoods so it's not just uh not just russell but it it it seems to be pretty popular once people find out that it's that it's happening they a lot of times the landlords are um putting

Additional.

Funds into the property, they're not just using the 10 or 20,000. I mean, you know, they're going through a rehab and this helps them to get that done.

"Chair George"

Excellent, I really appreciate you taking the time. I know you were going to be here for item number 1 already so it made sense that we went ahead and knocked out these 2 pieces.

And these questions is there anything else you want to say related with the rental rehab, or the escrow, or the registry in general.

"Laura Grabowski"

Sure on the escrow program, it's it's it gets a little bit complicated with, um.

With your Alta, and just the details I think it's generally a good a good idea, but I think it's important to note that Kentucky is 1 of 3 states where we do not have implied habitability as far as rentals go.

And so that's what we see a lot in the office of housing and community development are tenants that may be living in an affordable unit. But it is not.

A unit that that meets any kind of standards as.

Director Kirchdorfer was saying without a complaint, um.

Those units are not being inspected, so, you know, I think that this would go a long way to getting to that that sense of implied habitability.

"Chair George"

So, what I'm hearing you say is that the need for proactive inspections could be a positive as it relates to what is available in the waiver until.

"Laura Grabowski"

Absolutely escrow, thank you.

"Chair George"

Okay, we have 4 minutes. Do we have any questions or councilman? Blackwell is here as sponsor and council member. Dorsey. Do you guys have anything you want to say about. The progress, or, um. Where we are with regards to collecting. Questions and follow up no, I think, um.

"Committee Member Dorsey"

Having going through that list of questions councilman George I think we're still working through them and maybe when we get through them having, like, a comprehensive Q and A, and even really being able to publish that document, I think will really be helpful as we're learning a lot and getting those questions. Maybe the only thing I would encourage as a sponsor is as council members. If you have questions. This is the time to get them in as we are still in the investigative stage and evolving this legislation. I think this is the time to really ask the hard question to and to vet it before. We bring it before a vote. So, that's what I would just simply encourage is we are working hard. We are being very diligent. We have spent a lot of times in meetings, not just with the questions, but actually working through solutions. It's not easy. It's not supposed to be that's why we're all here. So I would just encourage my fellow peers. If there are any questions or concerns you have, this is the time to raise those to the chair so that we can have the dialogue and work through them. So that when we get ready to raise this for a vote, um, we have a piece of legislation that may be as. Perfect, but it is the best that we can offer the people of the city, and they deserve the best that we can offer. Thank you.

"Chair George"

Thank you Councilman Blackwell. Well, Councilman Arthur. All right, well with that, um. We've had a rich discussion about as rich as possible as we could with a limited amount of time. So I guess I would entertain a motion to table again.

Motion by Council Member Flood and Vice Chair Benson to table and with that public works committee is adjourned. Thank you.