

**Vacant & Abandoned  
Properties Update  
March, 2017**

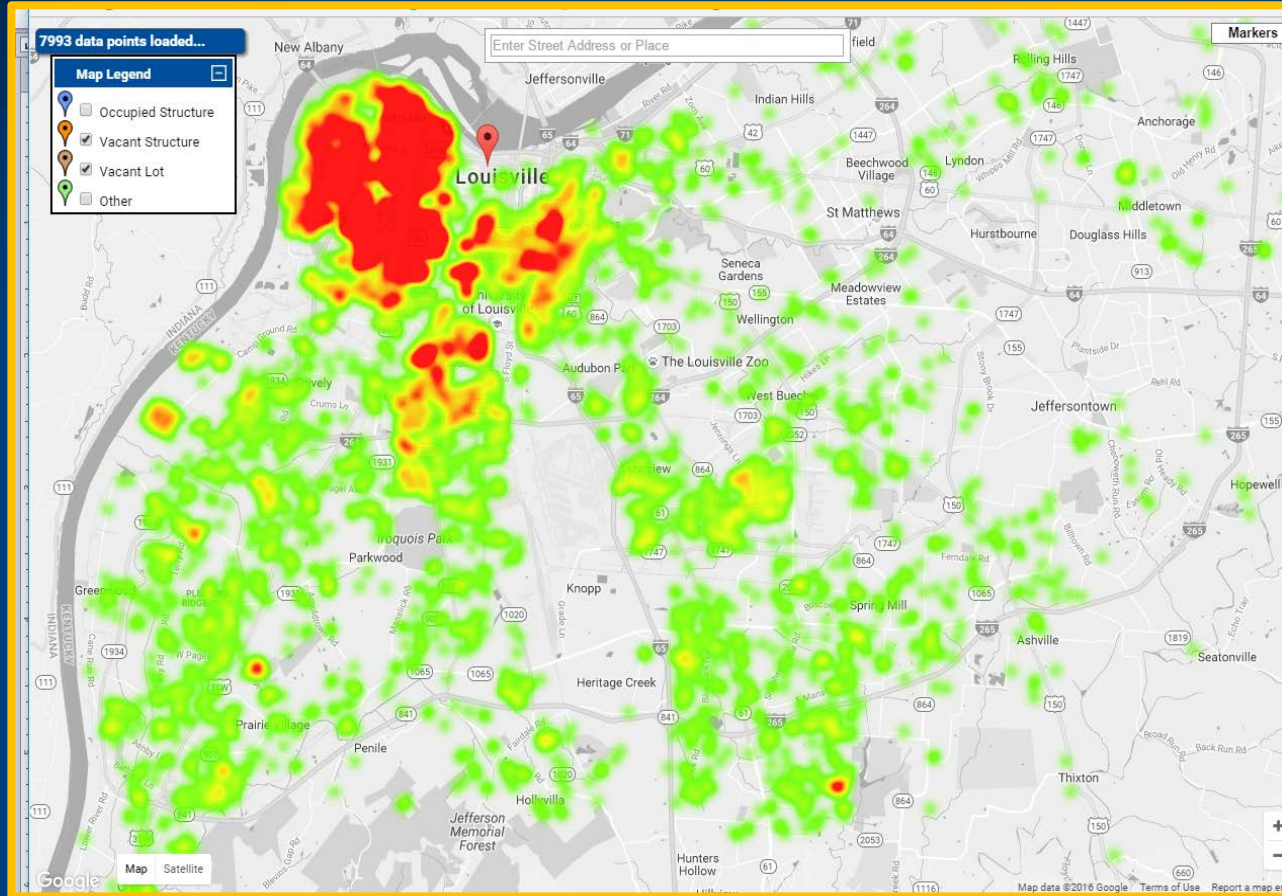
**Community Affairs, Housing, Health and Education  
Committee**

**Presented by  
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Laura Grabowski- Director,  
Vacant & Public Property Administration**



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# Vacant and Abandoned Properties Metro-wide Statistics



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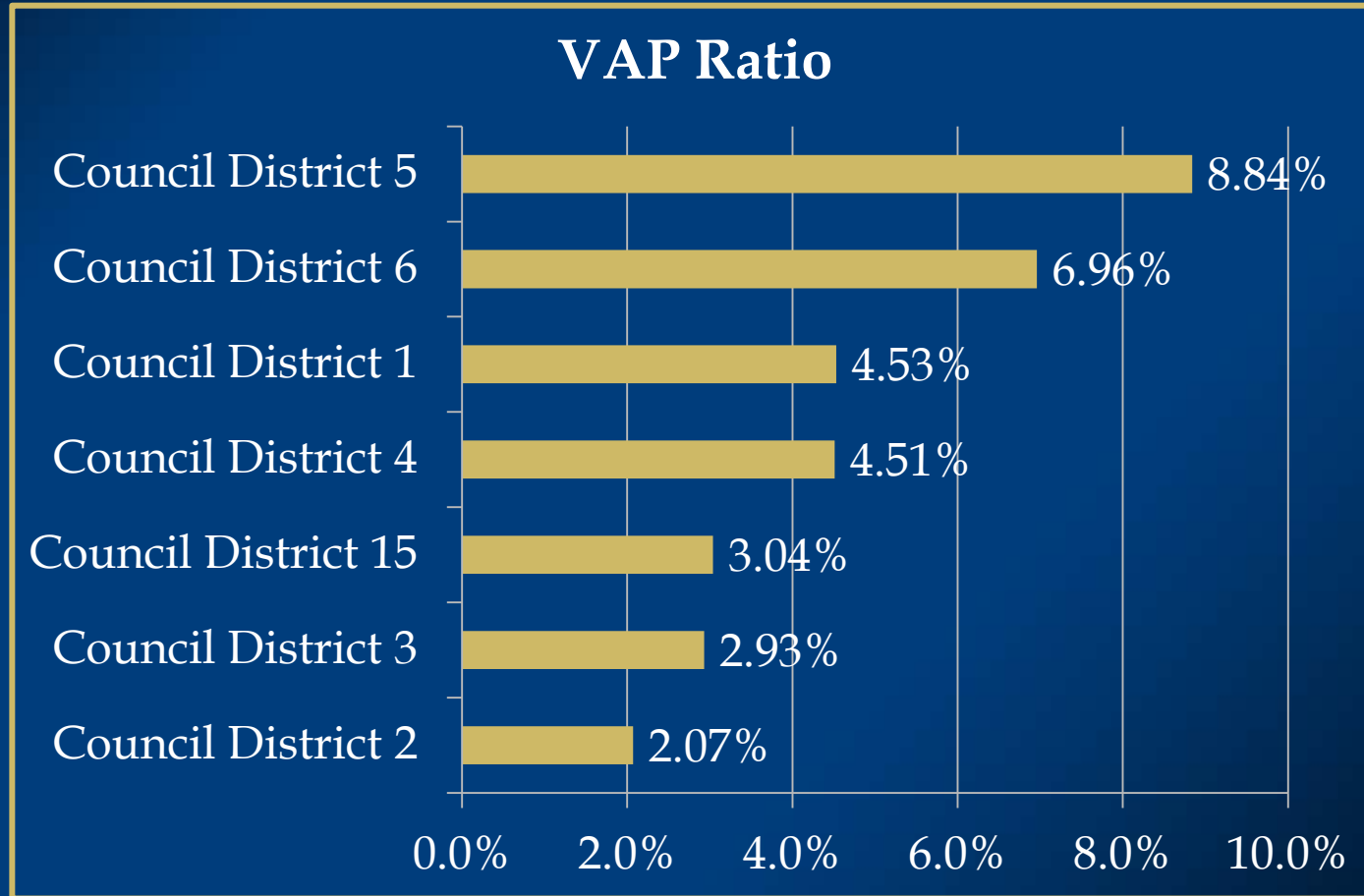
# Vacant and Abandoned Properties: What's the Mission?

*Placing underutilized  
property back into  
productive use is our  
highest priority.*



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# Vacant and Abandoned Properties Statistics



VAP Ratio = Percentage of total number of parcels that are considered vacant structures per Codes and Regs



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# Vacant and Abandoned Properties Statistics

VAPStat Key Performance Indicator	12-month Goal	FY16 Actual	FY17 Year to date (July 16 - Jan 17)
Boarding and Cleaning Backlog	7,200 (600 per month)	4,444	1,468
Foreclosures Initiated	100	94	35
Metro Demolitions	100	107	61
Net Payment/Collections from Fines, Abatement Costs, and Liens	\$2.7 million	\$2,783,921	\$1,595,270
Landbank Acquisitions	TBD	33	73
Dispositions - Landbank, Urban Renewal Commission	TBD	50	54



# Vacant and Abandoned Properties Foreclosures



**Average Foreclosure Cost: \$6,000**



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# Vacant and Abandoned Properties Demolitions



**Average Demolition Cost: \$11,000**



# Update: Tax Delinquency Diversion Program (TDDP)

- TDDP allows Louisville Metro Government to withhold tax liens from being sold to third parties in designated areas for a specific period of time.
- New law was enacted in 2016, revising KRS 99.700-99.730, 416.540 and 416.580
  - Allows Louisville Metro Government to initiate a Tax Delinquency Diversion Program and to designate specific areas for inclusion in the program
- Metro Council legislation is first needed to develop a Tax Delinquency Diversion Program, updating Chapter 38 of the Louisville Metro Code of Ordinances
- Metro Council legislation will then be needed to designate specific areas for inclusion in the program.



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# Update: Condemnation

- Existing law on condemnation allows Louisville Metro Government to use power of eminent domain to condemn blighted property
- Amendments were enacted in 2016, revising KRS 99.700-99.730, 416.540 and 416.580
  - Allows estimated repair or demolition costs to be deducted from market value, making condemnation more financially feasible
- Metro Council legislation is first needed to reflect the updates to the state legislation in the local code of ordinances
- Metro Council legislation will then be needed as necessary to institute eminent domain proceedings against properties that have been certified as blighted



# Update: HB310

- Provides for a funding mechanism for the landbank by allowing 50% of property taxes on properties from the landbank for the 5 years following their return to the tax rolls - except for school board proceeds.
- HB310 has been passed by the House and has been assigned to a Senate committee



# Vacant and Abandoned Properties

## What's next?

**TARGET**  
efforts in  
support of  
neighborhood  
redevelopment  
efforts

**LAYER**  
resources to  
maximize VAP  
and other  
redevelopment  
efforts

**MEASURE**  
results of  
strategies to  
optimize VAP  
solution  
efficiency



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# Questions?

*Vacant & Public Property Inquiries...*

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