

American Rescue Plan

Louisville Metro Government

Project Proposal Submission Form

Project Name: ~~College Street Property Renovations~~ College Street Property Renovations and East Breckinridge Street Properties Purchases and Renovations (LAT-0053)

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| Project Owner: Develop Louisville |
| Project Contact: Marilyn Harris |
| Project Contact Job Title: Director |
| Contact Email: [REDACTED] |
| Contact Phone: [REDACTED] |
| Project Name: College Street Property Renovations <u>College Street Property Renovations and East Breckinridge Street Properties Purchase and Renovations</u> |
| Are you requesting a continuation of current funding or a new allocation? This is an allocation of new funds. |
| Does the organization have sufficient capacity to lead and conduct the project without hiring new permanent staff? If not, what resources will need to be hired? This project will not require any new staff to manage. |
| Project Executive Summary (please specify if COVID-related.): <p>These funds will be utilized to make necessary improvements to start conversion of the College St. building affordable housing units, which, when complete, will result in closure of the Safe Outdoor Space. During the renovation process of the first floor, the resulting availability of electricity and water can supplement supplies for the Safe Outdoor Space. <u>These funds will be utilized to make necessary improvements to start conversion of the College St. building affordable housing units; when those improvements are complete, the need for continuation of Safe Outdoor Space will be reassessed.</u> During the renovation process of the first floor, the resulting availability of electricity and water can supplement supplies for the Safe Outdoor Space. The first \$7,500,000.00 (Seven million five hundred thousand dollars) of these funds will be utilized to make necessary improvements to start conversion of the College Street building to affordable housing units. During the renovation process of the first floor, the resulting availability of electricity and water can supplement supplies for the Outdoor Safe Space. The second \$7,500,000.00 (Seven million five hundred thousand dollars) of these funds will be utilized to purchase property, make necessary improvements, and start conversion of the property to housing units. The properties included are the following parcels in Louisville, Jefferson County, Kentucky: 030D00200000, 030D00900000, 030D00180000, 030D00050000, 030D00040000, 030D00020000, 030D00010000, 030D00070000, 030D00120000, 030D00220000.</p> |
| Problem Statement (include issue and population served by project.): <p>Louisville Metro Government bought the building and lot on College St. to use for the Safe Outdoor Space and as affordable housing; however, the building needs extensive repairs before it can be usable for support of the Safe Outdoor Space or affordable housing. <u>The East Breckinridge Street Properties Purchase and Renovations project would allow potential use of an indoor turnkey facility in the immediate near future.</u></p> |
| Goal/Outcomes -Statement: <p>The goal of this project is to renovate the building on College St. to make it usable as housing units to support those at 30% AMI or below. <u>The goal of this project is to renovate the building on College St. to make it usable as housing units to support those at 30% AMI or below. The additional goal of this project is to purchase and make minimal renovations to the East Breckinridge Street properties to make them usable as housing units to support those at 30% AMI or below.</u></p> |



Please briefly explain what actions/steps your project proposes to address the above-stated problem:

This project will make necessary improvements to start conversion of the College St. building affordable housing units, which, when complete, will result in closure of the safe outdoor space. During the renovation process of the first floor, the resulting availability of electricity and water can supplement supplies for the Safe Outdoor Space. This project will make necessary improvements to start conversion of the College St. building affordable housing units; when those improvements are complete, the need for continuation of Safe Outdoor Space will be reassessed. During the renovation process of the first floor, the resulting availability of electricity and water can supplement supplies for the Safe Outdoor Space. Additionally, ± this project will make necessary improvements to start conversion and later use of the East Breckinridge Street properties as housing units in the immediate near future.

How soon after signing a grant agreement can your project begin serving target populations and addressing the problem(s) described above? What is the anticipated duration of this project?

Once a grant agreement is signed, building new housing will commence. ~~Renovations can take between 18 months and two years to complete before the target population can be housed. The project itself will last until Dec. 31, 2026 or until housing is built, whichever comes first.~~ Renovations to the College Street property can take between 18 months and two years to complete before the target population can be housed. The project itself will last until Dec. 31, 2026 or until housing is built, whichever comes first. Renovations to the East Breckinridge Street properties will be minimal as this is a turnkey operation from a previous hotel and supporting buildings.

Does this project directly support COVID-19 pandemic related recovery? If yes, please explain.

Louisville has a chronic homelessness problem that has been exacerbated by COVID-19. In addition to the normal health issues that come with being homeless, COVID-19 has put the homeless population at a higher risk of infection. The downturn in business led to many people unable to pay their rent and increased homelessness in the city. Additional housing units will add to the existing housing stock and alleviate a housing market that does not have enough affordable housing.

Evidence Basis for the Project

The US Treasury department encourages the use of SLFRF funds for evidence-based interventions:

<https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf#page=26>

Please describe the evidence base for the interventions proposed by this project. (Maximum 200 words). Include links if possible.

According to a recent (Sept. 2021) HUD report, the United States needs more housing, and more varied types of housing, to meet households' needs throughout the country. Some economists estimate that one consequence of the 2008 foreclosure crisis was the slow rebound in home construction while household growth continued, resulting in underproduction of housing by more than 3 million units.

The consequences of inadequate supply are higher housing costs for both renting and buying a home. More than 37 million renter and owner households spent more than 30 percent of their income for housing in 2019. In the years prior to the pandemic, renters saw increasing incomes matched by rising rents, maintaining cost burdens despite a strong economy. Without significant new supply, cost burdens are likely to increase as current home prices reach all-time highs, with the median home sales price reaching nearly \$375,000 by July 2021. These data emphasize the urgency of employing opportunities for increasing the supply of housing and preserving the existing housing portfolio.

In addition, prior to the pandemic, the Metropolitan Housing Coalition estimated that Louisville needed 31, 000 new units of affordable housing to meet the current demand.; we know that demand has increased due to the pandemic. Affordable housing gives people more income to spend on quality food, education and transportation, improving their lives and health.

How will this project define and measure success? Include Key Performance Indicators.

This project will be successful once it is complete and provides additional housing units to the affordable housing stock in Louisville, providing new housing units for those 30% AMI or below.

Amount of Funding Requested:

~~\$7,500,000~~ \$15,000,000.00

