

-19 DESIGNATION 1000-



**Historic Landmark & Preservation District
Commission – Continued Hearing
Thursday, September 19, 2019**

Response to Landmarks Petition

August 29th Hearing



- **Father Bill Bowling** – Holy Name Parish/Holy Trinity Parish
 - Evolving needs of Holy Name Parish as neighborhood residents/parishioners relocated.
 - Accessibility for aged and disabled, Need for Meeting Space, Need for Parking.
 - Cost challenges and financial reliance on Holy Trinity Parish.
 - Future of Parish and Catholic Charities presence on the Property.
- **Bruce Hines** – Business Manager, Holy Name Parish
 - Holy Name's annual budget, including annual average revenue and expenses last 4 years.
 - Holy Name operating at average annual deficit of **-\$40,000**; Capital improvements during 2015 – 2019: **\$218,000**.
 - Debt to Archdiocese and Holy Trinity; Cost of Church's roof replacement.
 - 2016 Unsuccessful discussions with developer Colin Underhill & Underhill Associates to market buildings.

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• **Lisa DeJaco Crutcher – Catholic Charities**

- Charitable Arm of the Roman Catholic Church → one of the Church's three essential functions.
- Discussed need to consolidate programmatic services in one location – Headquarters Building.
- Importance of Presence on Holy Name Property, nearing 50 years on Property.
- Identified obstacles to carrying out programming within current facilities on Holy Name Property.
- Catholic Charities Annual Budget → annual cost in repair and maintenance, Building inefficiencies.

• **Mark Trier – JRA Architects**

- Discussed current conditions and code deficiencies of the former School and Convent Buildings.
- Pointed out integrity issues of Buildings → former School 2/3rds Gaffney, windows, added garage.
- Testified to inability and infeasibility to rehabilitate Buildings to meet Catholic Charities needs.
- Set forth cost numbers to rehabilitate both Buildings:
 - ✦ Cost to rehab Former School Building = **\$1,313,798** above and beyond new construction;
 - ✦ Cost to rehab Former Convent Building = **\$622,758** above and beyond new construction.
- Rehabilitation of Buildings is not recommended; additions would not comply with NPS standards.



Former Holy Name School – 2911 S. 4th St.



Former Holy Name School – 2911 S. 4th St.

Holy Name Church

Rector of the Holy Name
2914 THIRD STREET
Louisville, Ky.

September 23rd, 1932.

Most Reverend Bishop John A. Floersch
1118 South Third Street
City

Most Reverend Dear Bishop:

Inclosed please find a financial statement for the re-
modeling of our school, school equipment, furnishings, and other
improvements particularly the installation of two automatic stokers
for the heating plant.

The original contract price for alteration	\$25000.00
Extras	2953.34
New work ordered	1117.50
Desks and school furnishings	1060.06
Automatic stokers	2378.00
Labor not included in contract	602.05
Cafeteria and Equipment	957.25

Total Expenditures \$34068.20

Total amount of principal & Interest paid by Bishop \$14715.74
Plus new notes 14600.00

29315.74
Less improvement in April, used 1500.00
\$27815.74

Approximate payments from current revenue 1963.50

Balance needed to pay outstanding debts 4288.96
\$34068.20

This indicates that we have been able to accumulate about \$2000.00 over current expenses during the past months. I have not returned the note of \$2500.00 which Holy Name Church holds against St. Augustine's Church, Reed, Ky. My reason for not returning this note is that it will be necessary for me to borrow \$4200.00 to pay the outstanding bills of the school remodeling. If this note were discounted I would need but \$1700.00 additional. This would be more in accord with your Lordship's practice, that a Church be not permitted to borrow while a lender. Of course I will be perfectly willing to renew the note with Father Hooiveld if it meets with your approval. In addition to the \$4200.00 which we will need, I would like to ask your permission to make some very necessary repairs in the Church basement where the furnaces are located. Since the steps and runways are of wooden construction, and so near the



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• **Bill Weyland – Weyland Ventures**

- Mayor's Preservation Task Force of 2017.
- Identified a number of buildings in Louisville Metro and the Region Bill has worked to preserve.
- Volunteered his professional time and expertise to the Archdiocese to examine the Buildings.
- Reduced value of tax credits, especially in KY, seriously undercut ability to save the Buildings.
- Economically infeasible to rehabilitate School to establish Multi-Family Residential Building.
- Total Reconstruction of Building Systems will Also Impact Structure's Integrity.

• **Jon Baker – Wyatt, Tarrant & Combs**

- The government interest in historic preservation, though noble, does not rise to the level of sufficiently compelling to justify restraints on the free exercise of religion, a right of primary importance.
- The free exercise clause of the 1st Amendment of the U.S. Constitution and §§ 1 & 5 of the Kentucky Constitution prevents the government from regulating one's religious beliefs. *See Triplett v. Livingston Cty. Bd. of Educ.*, 967 S.W.2d 25, 31 (Ky. App. 1997).
- 5th and 14th Amendments (U.S.) and § 13 (KY) → prevents the federal government from taking private property for public use without just compensation.



University Corridor Redevelopment Study

CORRADINO FINAL REPORT

University Corridor Redevelopment Study Action Plan

Submitted to:
Louisville Metro Economic Development Department



Submitted by:
The Corradino Group, Inc.

May 2010

Revisit of 2 Previous Metro Studies:

1. South Central Louisville Development Coordination Study (1999);
2. South Fourth Street and Central Avenue Plan (1999)

Confirm Certain Recommendations and Made New Ones re:

Corridor Improvements to Area;

- Attract New Investment
- Redevelopment;
- Infrastructure Improvements;
- Streetscaping & Lighting;
- Property Maintenance; -Reduce Crime

University Corridor Redevelopment Study



Figure 1-1
Study Area



Aerial Source: LOJIC, 2006



Focus Area

Initial Study Area



Aerial Source: Louisville Regional Airport Authority, Spring 2010

University Corridor Redevelopment Study

Final Report

University Corridor Redevelopment Study

CORRADINO

Stakeholder Goals

The following five stakeholder goals were established during the first stakeholder workshop:

- Improve the appearance of the area;
- Improve housing opportunities and enhance/improve the existing housing stock;
- Reduce crime;
- Improve access to the area; and,
- Make the area a destination.

Reduce Crime

Crime can be addressed indirectly in a number of ways. Statistics from the Louisville Metro Police Department show that much of the crime in the University Corridor is on Fourth Street, mostly attributable to vacant or underutilized structures on the west side of the street. Widening Fourth Street and removing the structures on the west side could create an environment that is less conducive to criminal activity.

Make the Area a Destination

Churchill Downs, Central Station, and Jim Patterson Stadium already make the area a destination. Further improvements, such as the linear green space, the bicycle paths, and continued redevelopment of parcels in the area, will contribute to making it a destination.

University Corridor Redevelopment Study

SWOT Results

June 18, 2008
Stakeholders' Meeting

STRENGTHS

Score	Description
13	Catholic Charities/Holy Name presence in the Third and Fourth Street areas between Heywood and Rowan
13	University developments in the area of Third and Central (Patterson Stadium, Papa John's Stadium)
10	Central Station Development at Third and Central
10	Churchill Downs, in general, and its improvements to Central Avenue and the rest of the area
7	Presence of Olmstead Parks
6	Two million visitors come to area
4	Ethnic diversity of neighborhood
4	Successful retail and service businesses (Central Station and established businesses such as Framer's Supply, restaurants, etc.)
3	Connection of Central Avenue between Third and Floyd Streets
3	Location along major north-south route to and from downtown
3	Transient population: college students/track workers
2	Commitment of metro government/neighborhood association/business association
2	Mix of uses in the corridor
2	Repair/refurbishment by state of curbs and street paving from Winkler to Southern Parkway
1	Addition of emergency health facility
1	Proximity to fairgrounds
1	Some parcels of land available for redevelopment
	Efficient roadway layout (grid)
0	Housing stock on Third Street

WEAKNESSES

Score	Description
10	CSX not involved in project
9	Multiple zoning classifications
9	Perception/reality of significant amount of "uncared for" housing in the area
9	Perception/reality of street crime in the area
7	Perception/reality of significant percentage of "uncared for" commercial properties in the area
5	Absentee landlords
5	Lack of parking
5	More stakeholders to be involved
3	Aging infrastructure
3	High level of tenant-occupancy
3	Incomplete census data is not giving true picture
3	Transient population
2	Better zoning enforcement
2	Condition of railroad infrastructure
1	Need for owner occupancy program
1	Need for parcel consolidation
1	Noise from airport
1	Perception of not enough demand to support retail in the area

University Corridor Redevelopment Study

SWOT Results

June 18, 2008
Stakeholders' Meeting

OPPORTUNITIES

Score	Description
12	Entertainment Zone - marketing opportunity
12	Proximity to University of Louisville
10	Potential connection for Olmstead Parks and Parkways
7	Expansion of Churchill Downs
6	Marketing uniqueness in area
6	Potential extension of Central Avenue to the east to connect to I-65
4	Marketing the ethnic diversity of the neighborhood
4	More redevelopment and retail in the area
4	Moving of vacant housing to other locations
4	Outward movement of student housing developments
4	Potential for gaming
3	Availability of land for development
2	Central Avenue Connector
1	Perception of improvement

THREATS

Score	Description
19	Lack of funding for area projects/improvements
10	Introduction/re-introduction of more negative influences in the area
10	Perception of transients
9	People outside the community believe census data
6	Alternative gaming in other areas
4	Encroachment of non-compatible uses
2	Competing projects in the metro area

Economic Hardship Exemption

AND GUIDELINES FOR DEMOLITION



In order to be granted the hardship exemption that would clear the way for demolition of a historic structure that is non-income producing (e.g., owner-occupied residences) or for new construction, the applicant must demonstrate through a preponderance of the evidence that the Property or Structure cannot be put to any reasonable beneficial use without approval of the request for demolition or for new construction. In order to show that beneficial use of the Property or Structure cannot be obtained, the applicant must show that:

1. the Property or Structure cannot now be put to any beneficial use; and
2. *bona fide* efforts to sell or lease the Property or Structure have been fruitless; and
3. it is not economically feasible to rehabilitate the Property or Structure.

Economic Hardship Exemption

AND GUIDELINES FOR DEMOLITION



A. Financial Information

1. Purchase Price, Date, and seller, including relationship, if any.
2. Copy of current Deed.
3. Current assessed value of land and improvements.
4. Annual gross income of property, if applicable.
5. Operating and Maintenance Expenses.
6. Real Estate Taxes, if applicable.
7. Annual Cash Flow from property.
8. Other federal income tax deductions produced, if applicable.
9. Any and all Appraisals.
10. All listings for sale or rent in the past 2 years.
11. Prices asked and offers received, including broker's testimony.
12. Profitable and adaptive reuses considered, as applicable.
13. Tax returns on or relating to property.

A. Responses

1. Not Applicable.
2. Attached to Supplemental Letter, Tab 1.
3. \$46,220.00. Supplemental Letter, Tab 2.
4. Holy Name Property yields no annual income.
5. Testimony of Bruce Hines and Lisa DeJaco Crutcher at August 29th Hearing; Tab 3 and 4 of Supplemental Letter.
6. No real estate taxes are paid on the property.
7. Annual cash flow is zero.
8. Not Applicable.
9. 1970 Appraisal of former Convent Building: land = \$14,820 & Building = 46,650.82 (33yr/50).
10. No listings in past 2 years.
11. 2016 Awad Offer for Gym and School Buildings = \$285,000.00. Bank refused to provide financing. Tab 6 of Supplemental Letter.
12. Considered Catholic Charities as adaptive reuse.
13. No tax returns relating to property.

Economic Hardship Exemption

AND GUIDELINES FOR DEMOLITION



B. Determination of Reasonable Return/Feasibility of Beneficial Uses

1. Report from licensed architect or engineer regarding condition of structure.
2. Identification of alternative uses.
3. Cost estimates associated with rehabilitation for reasonable uses, including the scope of work upon which the cost estimate is based.
4. Pro forma of projected revenue and expenses for use or reuse of existing improvements, including the use of any tax credits, if applicable.
5. Estimate of current market value of property, with land and existing improvements as is.
6. Estimate of Internal Rate of Return based upon pro forma of income and expenses, including tax credits and estimate of equity investment, if applicable.
7. Estimates and analysis of the net impact of proposed new construction in stabilizing property values and the integrity of the District as a whole or of the Local Landmark.
8. Such other information as the Commission may reasonably request.

B. Responses

1. - JRA Architects Evaluation Report, 08/23/2019, Mark Trier, AIA, LEED AP, Registered Architect in KY (#3661), Tab 2 to Initial EHE Letter;
- Structural Review Reports for both School and Convent, 07/31/19, Icon Engineering and Inspection Services, Michael S. Childers, Licensed Professional Engineer in KY, Tab 2 to Initial EHE Letter.
2. -> Religious Use, Offices: structures found infeasible to repurpose as such; -> Affordable Housing, Multi-Family Residential structures found infeasible to repurpose as such.
3. AER, Mark Trier, Tab 2 to Initial EHE Letter; Testimony of Mark Trier, 08/29/2019.
4. Pro Forma Analysis for repurposing former School Building to multi-family residential use, Bill Weyland, Tab 4 to Initial EHE Letter; Testimony of Bill Weyland at Commission's 08/29/2019 Public Hearing.
5. Not Applicable.
6. Not Applicable.
7. Not Applicable.

Father Bill Bowling & Holy Name Parishioners

- 1st priority is to protect Holy Name Church Bldg.
- How presence of Catholic Charities on property and its partnership with the Parish is critical for sustaining the parish and future growth;
- Future of the Parish without Catholic Charities?
- Necessary space for religious programs and gathering before/after Mass.
- Great need for parking.
- Lack of parking directly affects participation in Church programs.





QUESTIONS?

Legal Objections to Landmark Designation



- The Church is a religious organization.
- This Commission is a state governmental actor.
 - As such, its actions, when taken for public purposes, must comport with the U.S. and KY Constitutions.
- 1st Amendment (U.S.) and §§ 1&5 (KY)
 - The free exercise clause of the 1st Amendment of the U.S. Constitution and §§ 1 & 5 of the Kentucky Constitution prevents the government from regulating one's religious beliefs. *See Triplett v. Livingston Cty. Bd. of Educ.*, 967 S.W.2d 25, 31 (Ky. App. 1997).
 - Testimony has been that the Church believes it is religiously obligated to demolish and rebuild in order to most effectively serve the needs of the faithful.

Legal Objections to Landmark Designation



- 1st Amendment (U.S.) and §§ 1&5 (KY)
 - The development plan is the exercise of the Catholic faith.
 - If this Commission's rulings infringe on those right and selectively chose not to exempt the Church, then strict scrutiny will apply, and the Commission must show a compelling gov't interest for its actions.
 - The case law is nearly uniform that government interest in the historic landmarking of property and/or structures does not rise to the level of a compelling interest.

Legal Objections to Landmark Designation



- 5th and 14th Amendments (U.S.) and § 13 (KY)
- § 1983 due process claim under 5th and 14th Amendments
 - 5th Amendment prevents the federal government from taking private property for public use without just compensation.
 - By and through the 14th Amendment, this applies to state governments (the Commission).