



514 W. Liberty Street
Louisville, KY 40202

Louisville Metro Government

Minutes - Final

VAPStat Joint Meeting

Monday, April 9, 2018

3:00 p.m.

Old Jail Auditorium

The agenda and agenda items for the regular meeting of the **Louisville and Jefferson County Landbank Authority, Inc.** (hereinafter referred to as "**LBA**") were electronically provided to its Board Members prior to the meeting.

BOARDS OF DIRECTORS PRESENT:

William P. Schreck, Chairperson
Lisa M. Butcher, Vice Chair
Edward D. Muns, Treasurer

LOUISVILLE METRO GOVERNMENT STAFF PRESENT:

Develop Louisville and Vacant & Public Property Administration (hereinafter referred to as "**VPPA**")

Laura Grabowski, Director
Carrie Fry, Real Estate Program Coordinator
Linette Huelsman, Real Estate Coordinator
Connie Sutton, Administrative Coordinator
Joshua Watkins, Real Estate Coordinator
Latondra Yates, Property & Leasing Supervisor

Jefferson County Attorney's Office

Stephanie Malone, LBA Legal Counsel

GUESTS:

Dan Nelson, Humana, Inc.
Ken Silkey, JenCare Senior Medical Center
Fred Andres, Jr.

[Welcome, Introductions, and Announcements:](#)

Ms. Grabowski welcomed all of the board members and guests and announced that this is the regular monthly meeting of LBA.

[Vacant and Abandoned Property Statistics:](#)

Using a PowerPoint presentation, Ms. Grabowski presented the LouieStat KPI Report for April 9, 2018.

VPPA Successes:

Mr. Watkins presented a VPPA Success relating to 2626 West Kentucky Street which was acquired by L1C4 Properties, LLC in December, 2017 and is now being leased as Section 8 housing for \$850.00 per month. L1C4 Properties, LLC first learned of this property through our Request for Proposals (“RFP”) and is very interested in participating in a future RFP.

Call to Order:

The meeting was called to order at approximately 3:03 p.m. by Chairman Schreck.

Establish Quorum:

Roll call was taken and three (3) Board members were present establishing a quorum necessary to conduct business: Mrs. Butcher, Mr. Muns, and Mr. Schreck.

Election of Officer:

Due to the recent retirement of former Treasurer Franklin Jones, Chairman Schreck passed the control of the meeting to Ms. Malone to conduct the election of Treasurer. Ms. Malone stated that, pursuant to its By-Laws, LBA is required to elect an officer to serve the remainder of a two (2) year term for the office of Treasurer.

Ms. Malone then opened the floor for nominations for Treasurer. Mrs. Butcher nominated Edward Muns for Treasurer. With no other nominations, Ms. Malone closed the floor for nominations.

Motion: On motion by Mrs. Butcher, seconded by Chairman Schreck, Edward Muns was elected Treasurer of the Board.

Ms. Malone then returned control of the meeting to Chairman Schreck.

Approval of Minutes:

Motion: On motion by Mrs. Butcher, seconded by Mr. Muns, the minutes of the March 21, 2018 special meeting were unanimously approved.

New Business:

i. Resolution 13, Series 2018, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman provided an overview of the proposed transfer of a parcel of real property located at 714 South 24th Street. Humana, Inc. donated this parcel to LBA in October, 2016 for the sale price of \$1.00. Subsequently, Humana, Inc. discovered that the parcel is needed by its current tenant, JenCare Senior Medical Center (“JenCare”). JenCare is leasing an office building owned by Humana, Inc. at 2406 West Broadway and the subject parcel could supply the additional parking needed for JenCare’s patients and office staff.

Mr. Nelson and Mr. Silkey then explained the intent behind the purchase of the subject property and answered questions from the Board relating to the necessary zoning requirements to construct the planned parking lot as this parcel is zoned residential.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 13, Series 2018, was approved. A copy of said Resolution 13, Series 2018, is attached hereto and made a part hereof.

ii. Resolution 14, Series 2018, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman provided an overview of the proposed transfer of a parcel of real property located at 1318 Witawanga Avenue. This parcel was one of the eighty-three (83) parcels transferred from Metro Government to LBA through Metro Surplus Resolution 078, Series 2017. Mr. Andres, who operates Miter Construction Company, Inc., submitted an application to purchase under the Budget-Rate disposition program for new construction. Ms. Huelsman also stated that Mr. Andres plans to construct a single-family residence using this parcel and the one he currently owns at 1322 Witawanga Avenue. Since the lot size is over 5,000 square feet, the sale price will be \$1,000.00.

Ms. Huelsman then answered questions from the Board relating to the parcel's environmental constraints as to the local regulatory floodplain zone and the layout and construction of the residence. Ms. Huelsman added that Mr. Andres has built several of the homes on Witawanga Avenue and should know how to address any possible flooding that may occur.

Mr. Andres explained his intent behind the purchase of the subject property and answered questions from the Board as to whether he has a possible buyer for the residence after it is built and the planned construction of the residence due to the parcel being in the floodplain.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, LBA Resolution 14, Series 2018, was approved. A copy of said Resolution 14, Series 2018, is attached hereto and made a part hereof.

i. Resolution 15, Series 2018, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman provided an overview of the proposed acquisition of a parcel of real property located at 821 Hazel Street. Ms. Huelsman explained that this parcel is an REO property offered by Fannie Mae for LBA to purchase for a sale price of \$5,013.00 which is less than its appraised price. To legally obtain ownership of this property, VPPA is requesting that the Chairman be given the authority to execute Fannie Mae's Real Estate Purchase Addendum and Purchase Contract, as well as the subsequent transfer deed. The purchase price will come out of the general funds of VPPA's 2018 fiscal year budget.

Ms. Huelsman stated that, if this property can be obtained by LBA, it will be rekeyed and inspected by one of our building inspectors. Based upon the results of the inspection, the property will then be assigned to one of the disposition programs for structures, Request for Proposals or Last Look – Save the Structure. Ms. Huelsman added that, whatever disposition program the property is assigned to, an attempt will be made to recoup Fannie Mae's requested \$5,013.00 sale price. Due to the fact that most REO properties are in relatively good shape, past REO acquisitions have been assigned to the Request for Proposals disposition program and sold fairly quickly.

Ms. Huelsman then answered questions from the Board relating to the Request for Proposals program and its scoring system. She also provided, per Ms. Grabowski's request, background information about Fannie Mae's Accelerated Low Value Strategy sales program which allows foreclosure properties to be sold at a discounted price to non-profits and local governments. Ms. Grabowski also added that VPPA will attempt to recoup as much of its costs as possible, but its mission is not to earn a profit when selling its structures.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, LBA Resolution 15, Series 2018, was approved. A copy of said Resolution 15, Series 2018, is attached hereto and made a part hereof.

i. LBA Resolution 16, Series 2018, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Mr. Watkins informed the Board that the resolution consists of one (1) applicant who has submitted the appropriate documentation to purchase a vacant lot up to 4,000 square feet to be used solely as a side yard to her adjacent property through the **Adjacent Side Yards** disposition program.

Mr. Watkins added that this property will be sold for **\$1.00** and that the applicant must comply with the requirements of the LBA's Pricing Policy for Adjacent Side Yards which were approved on February 12, 2018. Those requirements are to use the property as a side yard, maintain the lot in a manner consistent with the codes and ordinances of the Louisville/Jefferson County Metro Government and to pay the assessed property taxes.

Mr. Watkins then answered questions from the Board relating to the applicant's submission to purchase this parcel; how VPPA is currently processing its Adjacent Side Yard Disposition Program and advising the applicants of its requirements; and the possibility of having all vetted applicants present in the event the Board has any questions or concerns it would like to address with them.

Motion: On a motion of Mrs. Butcher, seconded by Mr. Muns, LBA Resolution 16, Series 2018, was unanimously approved. A copy of said Resolution 16, Series 2018, is attached hereto and made a part hereof.

i. Resolution 17, Series 2018, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Mr. Watkins informed the Board that three (3) additional structures have been made available to purchase through the disposition programs, **Last Look – Save the Structure** and **Last Look - Demo for Deed**.

Mr. Watkins added that the properties will be sold for **\$1.00** and that any applicants must comply with the requirements of the LBA's Pricing Policy for "Save the Structure (Phase 1)" and "Demo for Deed (Phase 2)" which were approved on February 12, 2018. Those requirements are that the applicants submitting for Save the Structure must complete the structure's required renovations within 18 months from the date of sale - 6 months for exterior and structural repairs and 12 months for the remaining interior repairs. The approval of this resolution will allow the VPPA to convey the available properties to a qualified applicant. Mr. Watkins also stated that the amount of minimum funds required for the subject properties was suggested by a Codes and Regulations' Building Inspector and should complete the external renovations of the structures. The current condition of the structure situated on the property at 1900 Portland Avenue led the inspector to require the stabilization plan and estimate from a structural engineer instead of setting a minimum required amount for Phase 1 -Save the Structure.

Mr. Watkins then answered questions from the Board relating to how the properties are selected to go into the Last Look Initiative.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, LBA Resolution 17, Series 2018, was approved. A copy of said Resolution 17, Series 2018, is attached hereto and made a part hereof.

i. Resolution 18, Series 2018, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Mr. Watkins informed the Board that the resolution consists of applicants who have submitted the appropriate documentation to purchase four (4) vacant lots up to 7,000 square feet for \$500.00 without a plan for redevelopment. These lots have been made available through the **Cut It Keep It** Disposition Program.

Mr. Watkins added that these properties will be sold for \$500.00 and that these applicants must comply with the requirements of the LBA's Pricing Policy for Cut It Keep It which was approved on February 12, 2018. Those requirements are to not sell the property for three (3) years from the date of the deed and maintain the lot in a manner consistent with the codes and ordinances of the Louisville/Jefferson County Metro Government. If an applicant builds on the lot within three (3) years from the date of the Deed, the sale restriction will be released. The subsequent Deeds will list these requirements and will restrict the applicants from selling the property within three (3) years from the date of the Deed.

Mr. Watkins then answered questions from the Board relating to the maintenance costs being saved through this disposition program (approximately \$500,000 per year) and whether or not the former structure on this property was demolished by a VPPA program.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 18, Series 2018, was approved. A copy of said Resolution 18, Series 2018, is attached hereto and made a part hereof.

Adjourn:

As there were no more items of business to discuss, on a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, the meeting of the Louisville and Jefferson County Landbank Authority, Inc. was adjourned at 3:52 p.m.

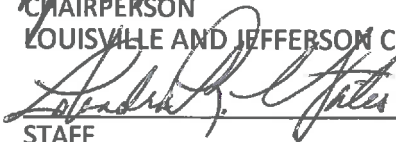
Closing Remarks:

Ms. Grabowski expressed her appreciation to everyone for their attendance and participation. She also informed of the next VAPStat Joint Meeting scheduled for 3:00 p.m., on May 14, 2018, at the Old Jail Building Auditorium.



CHAIRPERSON

LOUISVILLE AND JEFFERSON COUNTY LANDBANK AUTHORITY, INC.



STAFF

5-14-2018

DATE