

RESOLUTION NO. 6, SERIES 2015

A RESOLUTION AUTHORIZING THE APPROVAL AND EXECUTION OF AN AGREEMENT WITH LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT ('METRO') FOR THE QUINN GARDENS -CEDAR STREET DEVELOPMENT AND PAYMENT FOR PUBLIC INFRASTRUCTURE IMPROVEMENTS

WHEREAS, The Urban Renewal and Community Development Agency of Louisville ("Agency") desires to redevelop the vacant parcels of real property which the Agency owns for uses as provided in the Russell Neighborhood Urban Renewal Plan; and

WHEREAS, Urban Renewal has agreed to sell the parcels listed on Exhibit A to CVC for Three Hundred Sixty Thousand Dollars (\$360,000.00) and the parcel listed on Exhibit B to REBOUND for One Hundred Dollars (\$100.00) to be used for the construction of a total of Twenty-Seven (27) single family detached homes ; and

WHEREAS, Urban Renewal has agreed with Metro to use the proceeds of the two aforementioned sales to pay for those public infrastructure improvements for the Quinn Gardens-Cedar Street Development designed by QK4 pursuant to a contract with Metro ; and

WHEREAS, in order to set forth the various undertakings and agreements by Agency and Metro regarding the Quinn-Gardens-Cedar Street Development, Agency and Metro intend to enter into the Agreement attached hereto as Exhibit C, subject to Agency's approval;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY OF LOUISVILLE

SECTION 1. The Chairman of the Agency is hereby authorized and directed to execute and deliver to Metro the Agreement attached to this Resolution as Exhibit C.

SECTION 2. That this Resolution shall become effective upon its passage.

APPROVED BY: _____ **DATE APPROVED:** _____

Robert Frazier

Chairman

Urban Renewal and Community Development Agency of Louisville

APPROVED AS TO FORM:

MICHAEL J. O'CONNELL

JEFFERSON COUNTY ATTORNEY

Edward S. Carle

Assistant County Attorney

Counsel for Urban Renewal and Community Development Agency of Louisville

531 Court Place, Suite 900

Louisville, KY 40202

(502) 574- 3349

EXHIBIT A

	<u>Property Address</u>	<u>Parcel ID</u>	<u>Assessed Value</u>	<u>Acres</u>
1	315 S 20TH ST	002F00310000	\$760	0.0321
2	2014 Cedar Street	002K01320000	\$640	0.0351
3	2012 Cedar Street	002K01330000	\$3,000	0.0318
4	2010 Cedar Street	002K01340000	\$900	0.0496
5	440 S 18th Street	002L01820000	\$5,000	0.0618
6	438 S 18th Street	002L01830000	\$2,640	0.0743
7	1917 Cedar Street	002M00200000	\$9,760	0.0918
8	1919 Cedar Street	002M00210000	\$9,760	0.0918
9	1921 Cedar Street	002M00220000	\$9,760	0.0918
10	1923 Cedar Street	002M00230000	\$9,760	0.0918
11	1925 Cedar Street	002M00240000	\$9,760	0.1148
12	1927 Cedar Street	002M00250000	\$9,760	0.1377
13	403 S 20th Street	002M00260000	\$9,760	0.1025
14	401 S 20th Street	002M00270000	\$9,760	0.1028
15	437 S 20th Street	002M00330000	\$9,760	0.1056
16	433 S 20th Street	002M00340000	\$9,760	0.1056
17	431 S 20th Street	002M00350000	\$9,760	0.131
18	1926 Cedar Street	002M00360000	\$9,760	0.1975
19	1922 Cedar Street	002M00370000	\$9,760	0.147
20	1920 Cedar Street	002M00380000	\$9,760	0.1056
21	1918 Cedar Street	002M00390000	\$9,760	0.1056
22	1916 Cedar Street	002M00400000	\$9,760	0.1056
23	1900 Cedar Street	002M00480000	\$9,760	0.1496
24	431 S 19th Street	002M00490000	\$9,760	0.0959
25	429 S 19th Street	002M00500000	\$9,760	0.1202
26	1828 Cedar Street	002M00510000	\$9,760	0.1538
27	1826 Cedar Street	002M00520000	\$9,760	0.1407
			217,900.00	2.77

EXHIBIT B

	<u>Property Address</u>	<u>Parcel ID</u>	<u>Assessed Value</u>	<u>Acres</u>
1	1907 Cedar Street	02-002M-0015-0000	\$9,760	0.0918

EXHIBIT C

AGREEMENT

This Memorandum of Agreement (“Agreement”) made and entered into this ____, day of November, 2015 by and between THE URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY OF LOUISVILLE, a public body corporate and politic, hereafter referred to as “**Urban Renewal**”, and LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, a consolidated local government pursuant to KRS Chapter 67C, acting by and through its Department of Develop Louisville, Office of Housing and Community Development, (hereafter referred to as “**Metro**”).

RECITALS

WHEREAS, by Ordinance No. 216, Series 1990, the Board of Alderman of the City of Louisville (a predecessor to Metro) adopted the Russell Urban Renewal Plan (“**Plan**”) for the Russell Neighborhood Project Area (“**Area**”); and

WHEREAS, in accordance with the Plan, Urban Renewal acquired title to certain parcels of real estate located within the Area, including but not limited to, the twenty-seven parcels of real estate identified on Exhibit A, attached hereto and made a part hereof, and the single parcel of real estate identified on Exhibit B, attached hereto and made a part hereof (collectively the “**Property**”); and

WHEREAS, the improvements located on the Property were demolished and made available for redevelopment by Urban Renewal; and

WHEREAS, Metro desires to assist Urban Renewal in the redevelopment of the Property in accordance with the Plan; and

WHEREAS, two Kentucky non-profit entities, Community Ventures, Inc. (“**CVC**”) and REBOUND, INC. (“**REBOUND**”) have made proposals to Urban Renewal and Metro to redevelop the Property in accordance with the Plan, CVC for the parcels contained on Exhibit A and REBOUND for the parcel contained on Exhibit B; and

WHEREAS, Metro is willing to commit to a forgivable mortgage loan in the amount of Seven Hundred Seventy Eight Thousand Five Hundred Dollars (\$778,000.00) to CVC conditioned upon CVC’s redeveloping the parcels identified on Exhibit A into twenty-six single family detached homes according to plans and specifications approved by Urban Renewal and marketing the homes to market rate homebuyers who agree to occupy the homes as their principal residence for at least one year; and

WHEREAS, Metro is willing to commit to a forgivable mortgage loan in the amount of Three Hundred Thirteen Thousand Eight Hundred Seventy-Six and no/100 Dollars (\$313,876.00) to REBOUND conditioned upon REBOUND’S redeveloping the parcel identified on Exhibit B, as well as two additional parcels REBOUND is acquiring from the Louisville and Jefferson County Landbank Authority, Inc. (“**Landbank**”), into three single family detached homes according to plans and specifications approved by Urban Renewal and Landbank and marketing the homes to market rate homebuyers who agree to occupy the homes as their principal residence for at least one year; and

WHEREAS, Urban Renewal has agreed to sell the parcels listed on Exhibit A to CVC for Three Hundred Sixty Thousand Dollars (\$360,000.00) and the parcel listed on Exhibit B to REBOUND for One Hundred Dollars (\$100.00), conditioned upon the same conditions as Metro’s conditions for its loans to CVC and REBOUND; and

WHEREAS, Urban Renewal has agreed with Metro to use the proceeds of the two sales to pay for those public infrastructure improvements identified on Exhibit C, attached hereto and made a part hereof;

NOW, THEREFORE, in consideration of the mutual agreements hereafter set out, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The Recitals are true and correct and are made a part of this Agreement.
2. Urban Renewal hereby agrees to the following undertakings concerning the redevelopment of the Property:
 - A. Upon receipt of the (\$360,000.00) sale price from CVC, Urban Renewal will convey those parcels listed on Exhibit A to CVC by deed of special warranty subject to a right of re-entry for CVC's failure to timely build a single family detached home on each parcel according to plans and specifications approved by Urban Renewal, and to sell each home to a market rate homebuyer who agrees to make the home their principal residence for at least one year.
 - B. Upon receipt of the (\$100.00) sale price from REBOUND, Urban Renewal will convey the parcel listed on Exhibit B to REBOUND by deed of special warranty subject to a right of re-entry for REBOUND's failure to timely build the single family detached home on the parcel according to plans and specifications approved by Urban Renewal and to sell the home to a market rate homebuyer who agrees to make the home their principal residence for at least one year.
 - C. Urban Renewal hereby agrees to use the aforementioned sales proceeds to pay for the infrastructure improvements identified on Exhibit C, provided that Metro will legally procure the contractors who will perform the work in accordance with Louisville/Jefferson County Metro Government Code of Ordinances, Chapter 37, and supervise the work as it progresses to completion. Upon completion and acceptance of the infrastructure improvements by Metro and Urban Renewal, or upon completion and acceptance by Metro and Urban renewal of periodic draw requests for completed and approved work pursuant to the terms and conditions of Metro's contract with the infrastructure contractor, Urban Renewal will pay Metro for the contracted expenses upon presentation of proper documentation. In no event will Urban Renewal be required to pay to Metro expenses for work not yet completed or for expenses in excess of Three Hundred Sixty Thousand, One Hundred Dollars (\$360,100.00).
 - D. Urban Renewal has reviewed the designs contained in the respective developer's proposed designs and finds the designs to be in conformity with the Plan.
3. Metro hereby agrees to the following undertakings concerning the redevelopment of the Property:
 - A. Metro agrees to make the forgivable mortgage loan to CVC in the amount of Seven Hundred Seventy- Eight Thousand Five Hundred Dollars (\$778,000.00)

conditioned upon CVC's redeveloping the parcels identified on Exhibit A into twenty-six single family detached homes according to plans and specifications approved by Urban Renewal and marketing the homes to homebuyers who agree to occupy the homes as their principal residence for at least one year;

- B. Metro agrees to make the forgivable mortgage loan in the amount of Three Hundred Thirteen Thousand Eight Hundred Seventy-Six and no/100 Dollars (\$313,876.00) to REBOUND conditioned upon REBOUND's redeveloping the parcel identified on Exhibit B into a single family detached home according to plans and specifications approved by Urban Renewal and marketing the home to a homebuyer who agrees to occupy the home as their principal residence for at least one year;
- C. Metro hereby agrees to legally procure contractors in accordance with Louisville/Jefferson County Metro Government Code of Ordinances, Chapter 37, to do the work on the infrastructure, the design for which has been performed for Metro by QK4 at the expense of Metro. Additionally, Metro agrees to administer and monitor the contractors' work until it is completed to the reasonable satisfaction of Urban Renewal and Metro.

4. Default; Remedies

If either party shall fail to timely perform any of the material obligations of this Agreement or any of the documents incorporated herein, or breaches any representation, covenant or warranty contained in this Agreement, then the non-defaulting or non-breaching party shall give the other party written notice of said default or breach and the defaulting party shall have, in the case of a monetary default, fifteen days to cure said default, and in the case of a non-monetary default, thirty days to cure to the reasonable satisfaction of the non-defaulting party; provided however, if the default cannot be reasonably cured within said thirty day period, then the defaulting party may continue to diligently and continuously proceed to correct the default so long as the non-defaulting party is reasonably satisfied that sufficient progress is being made toward a cure. If the defaulting party fails to timely cure said default or breach, then the non-defaulting party may terminate this Agreement by giving the defaulting party ten days prior written notice of same. In the event of any such termination, non-defaulting party shall be relieved of any executory obligations hereunder and shall be entitled to any remedy and damages available to it at law or in equity. The rights and remedies of non-defaulting party shall be deemed to be cumulative and any election of any right or remedy shall not be deemed to be an election of that right or remedy to the exclusion of any other right or remedy. The rights and remedies available to non-defaulting party in the event of a suspension or termination of this Agreement shall survive such suspension or termination.

5. Miscellaneous Provisions

- A. This Agreement represents the entire understanding and agreement relating to the subject matter hereof and supersedes all prior negotiations and agreements relative thereto. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either Metro or Urban Renewal.
- B. Each of the parties hereto covenant and warrant to the other that their respective entities have the full right, power and authority to enter into this Agreement and that the person executing this Agreement on its behalf has been duly authorized by the party to sign and execute this Agreement on its behalf and the Agreement is a valid and binding obligation on the party and enforceable in accordance with its terms.
- C. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
- D. If any provision of this Agreement shall be declared invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

IN TESTIMONY WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT,
Acting by and through its Department of Develop Louisville, Office of
Housing and Community Development.

BY: _____

TITLE: _____

THE URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY
OF LOUISVILLE

BY: _____

TITLE: _____

APPROVED AS TO FORM
MICHAEL J. O'CONNELL
JEFFERSON COUNTY ATTORNEY

Edward S. Carle
Assistant County Attorney
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Louisville, Kentucky 40202
(502) 574-3349