444 S. 5th Street
Louisville, KY 40202

Louisville Metro Government

Minutes - Final

Special Meeting of the Louisville and Jefferson County Landbank Authority, Inc.

Thursday, October 17, 2019	9:00 a.m.	1st Floor Conference Room Metro Development Center

The agenda and agenda items for this special 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.

BOARD OF DIRECTORS PRESENT:

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

LOUISVILLE METRO GOVERNMENT STAFF PRESENT:

Office of Community Development (hereinafter referred to as "**CDO**")

Laura Grabowski, Director
Linette Huelsman, Real Estate Coordinator
Scott Love, Community Engagement Coordinator
Kevin Manring, Real Estate Coordinator
Latondra Yates, Property & Leasing Administrator

Welcome and Introductions

Ms. Grabowski welcomed all the board members and added that this is a special meeting of LBA.

Vacant and Abandoned Property Statistics

Using a PowerPoint presentation, Ms. Grabowski presented the LouieStat KPI Report for October 17, 2019.

VAP Successes

Based on an inquiry from the board at last month's meeting, Ms. Grabowski presented a VAP Success relating to the number of dispositions that have occurred since the LBA approved its Real Estate Disposition Programs on September 11, 2017. Ms. Grabowski advised that the implementation of the disposition programs, known as Last Look – Save the Structure, Last Look – Demo for Deed, Cut It Keep It, and the Flex Rate Policy for Agricultural and/or New Construction, has led to 122 dispositions. A breakdown of that number revealed **56** properties sold under Last Look – Save the Structure, **4** properties sold under Last Look – Demo for Deed, **57** parcels under Cut It Keep It, and **5** parcels under the Flex Rate Policy.

Call to Order

The meeting was called to order at approximately 9:10 a.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.

Approval of Minutes

Motion: On motion by Mr. Muns, seconded by Mrs. Butcher, the minutes of the September 16, 2019 special meeting were unanimously approved with one (1) correction. The date of the meeting needs to be changed to "September 16, 2019", instead of "August 12, 2019", at the top of page 1.

New Business

i. Resolution 44, Series 2019, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman informed the Board that eight (8) additional structures have been selected to be made available to purchase through the disposition programs, Last Look - Save the Structure or Last Look - Demo for Deed. Those structures are located at 217 North 19th Street, 1906 West Chestnut Street, 615 M Street, 625 South 19th Street, 220 South 25th Street, 1720 Garland venue, 1906 Portland Avenue, and 3028 Southern Avenue.

Ms. Huelsman 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)" or "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 eighteen (18) months from the date of sale – six (6) months for exterior and structural repairs and twelve (12) months for the interior repairs. The approval of this resolution will allow CDO to convey the available properties to a qualified applicant. Ms. Huelsman also stated that any amount of minimum funds required for the subject properties are calculated by Mr. Manring, a licensed Building Inspector, and should complete the external renovations of the structure. Any of the structures assigned to Demo for Deed can be saved if the applicant submits the proper stabilization plans from a structural engineer. Any property assigned to Demo for Deed will also be closely monitored over the next sixty (60) days to ascertain that the structures do not need to be referred for immediate demolition by the applicants or the CDO staff.

Ms. Huelsman also advised the board, if no applications are submitted for the Demo for Deed candidates, the CDO staff will demolish the structures once sixty (60) days has passed.

Ms. Grabowski acknowledged to the board that we only have a few structures left in our inventory that are going through the last stages of the Last Look program or being demolished. Ms. Huelsman added that five (5) structures will be offered to the public later this week through a Request for Proposals. However, most of the structures LBA acquires are being assigned to the Last Look disposition program per their inspections.

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, LBA Resolution 44, Series 2019, was approved. A copy of Resolution 44, Series 2019, is attached hereto and made a part hereof.

ii. Resolution 45, Series 2019, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman informed the Board that the resolution consists of one (1) applicant who has submitted the appropriate documentation to purchase a vacant lot up to 7,000 square feet for $500.00 without a plan for redevelopment. The vacant lot is situated at 2418 Dumesnil Street. This lot has been made available through the Cut It Keep It disposition program.

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

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, Resolution 45, Series 2019, was approved. A copy of said Resolution 45, Series 2019, is attached hereto and made a part hereof.

iii. Resolution 46, Series 2019, 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 2825 West Chestnut Street. Ms. Huelsman explained that this parcel is an REO property offered by Fannie Mae for LBA to purchase for a sale price of $8,444.00 which is less than its appraised price. To legally obtain ownership of this property, CDO 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 CDO's 2020 fiscal year budget.

Ms. Huelsman stated that, if this property can be obtained by LBA, it will be rekeyed and inspected by Mr. Manring, a licensed building inspector. 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 $8,444.00 sale price. Because most REO properties are in relatively good shape, our past REO acquisitions have sold fairly quickly through the Request for Proposals disposition program.

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, Resolution 46, Series 2019, was approved. A copy of said Resolution 46, Series 2019, is attached hereto and made a part hereof.

iv. Resolution 47, Series 2019, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Grabowski provided an overview of the spot condemnation action being taken against the properties located at 2700-2708 West Chestnut Street, the home of Saint Charles of Borromeo Church, its rectory, and its former school. She also advised as to the steps CDO has taken since the LBA certified that the properties were blighted and deteriorated in January of this year and the remaining steps LBA and the Metro Council need to take to complete its blight determination and initiate an action of eminent domain in Jefferson Circuit Court.

Ms. Grabowski also advised that the fair market value for the properties less any rehab or demolition costs will be paid to acquire the properties and that some parties have already expressed interest in the properties. Once ownership is obtained, a Solicitation of Interest will be issued to the public to gain input from the community and explain what our intentions are for the properties when offered for sale.

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, Resolution 47, Series 2019, was approved. A copy of said Resolution 47, Series 2019, is attached hereto and made a part hereof.

Announcements

Ms. Grabowski announced that a ribbon-cutting ceremony is being planned in November for the 10-plex located at 334 North 24th Street and the board will be invited. This is exciting news since this multi-family residence will be rented to veterans. Ms. Grabowski also informed that a link will be sent out to a recently aired podcast relating to abandoned properties in Cleveland, Ohio and how its landbank is dealing with them. Ms. Grabowski stated that it may be interesting to learn how other nearby cities are dealing with blighted properties.

Adjourn

As there were no more items of business to discuss, on a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, this meeting of the LBA was adjourned at 9:35 a.m.

Closing Remarks

Ms. Grabowski expressed her appreciation to everyone for their attendance and participation and reminded everyone that the next, special meeting of the LBA is set for November 18, 2019, at 3:00 p.m., in the 1st Floor Conference Room of the Metro Development Center.

Wm P. Schaeck

CHAIRPERSON
LOUISVILLE AND JEFFERSON COUNTY LANDBANK AUTHORITY, INC.

STAFF

11/18/2019

DATE