



514 W. Liberty Street  
Louisville, KY 40202

# Louisville Metro Government

## Minutes - Final

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

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Thursday, April 16, 2020

12:00 p.m.

Video Teleconference

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This special meeting of the of the **Louisville and Jefferson County Landbank Authority, Inc.** (hereinafter referred to as “**LBA**”) was held via video teleconference pursuant to KRS 61.826 due to the states of emergency declared by federal, state, and local Chief Executives due to the COVID-19 pandemic. The agenda and agenda items for this special meeting were electronically provided to the Board Members and the public 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:

##### Office of Community Development (hereinafter referred to as “**CDO**”)

Laura Grabowski, Director  
Linette Huelsman, Real Estate Coordinator  
Kevin Manning, Real Estate Coordinator  
Connie Sutton, Administrative Coordinator  
Latondra Yates, Property & Leasing Administrator

#### Jefferson County Attorney’s Office

Stephanie Malone, Assistant Jefferson County Attorney

#### GUESTS:

Terri J. Terry  
Bakhos El-Khoury

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

Ms. Grabowski welcomed all the board members and guests and announced that this is a special meeting of LBA being conducted via video conferencing pursuant to KRS 61.826.

The meeting was paused for a few minutes to correct some technical difficulties with the video screening of the meeting inside the Legistar web application.

#### [Vacant and Abandoned Property Statistics:](#)

Using a PowerPoint presentation, Ms. Grabowski presented the LouieStat KPI Report for April 16, 2020.

#### Call to Order:

The meeting was called to order at approximately 12:14 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.

#### Approval of Minutes:

**Motion:** On motion by Mr. Muns, seconded by Mrs. Butcher, the minutes of the March 9, 2020 meeting were unanimously approved.

#### New Business:

i. Resolution 25, Series 2020, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman informed the Board that five (5) 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 2628 West Kentucky Street, 343 North 23<sup>rd</sup> Street, 654 South 27<sup>th</sup> Street, 2115 Rowan Street, and 2117 Rowan Street.

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. Manning, 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 that if no applications are submitted for these Demo for Deed candidates, the CDO staff will demolish the structures once sixty (60) days has passed.

**Motion:** On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 25, Series 2020, was approved. A copy of said Resolution 25, Series 2020, is attached hereto and made a part hereof.

ii. Resolution 26, Series 2020, 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 2509 Grand Avenue to Sparrow Waterhouse, Inc. This single-family residence was placed in the February 2020 RFP after its reacquisition via our donation process. Its initial purchaser, New Directions Housing Corporation, failed to complete its renovations due to possible budget constraints. The sale price will be \$2,051.51 with its renovations in the estimated amount of \$47,000.00 to be completed within six (6) months. The applicant plans to renovate and sell to a qualified buyer. Examples of the applicant's recent renovations of a former RFP structure currently listed for sale, 1521 Gallagher Street, was also provided to the Board.

**Motion:** On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 26, Series 2020, was approved. A copy of said Resolution 26, Series 2020, is attached hereto and made a part hereof.

iii. Resolution 27, Series 2020, 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 674 South 41<sup>st</sup> Street to George's Construction, LLC. This single-family residence was placed in the February 2020 RFP after its previous owner surrendered it in a bankruptcy filing. The sale price will be \$5,000.00 with its renovations in the estimated amount of \$49,992.00 to be completed within six (6) months. Examples of one of this first-time applicant's recent renovations at 646 South 40<sup>th</sup> Street, was also provided to the Board.

**Motion:** On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 27, Series 2020, was approved. A copy of said Resolution 27, Series 2020, is attached hereto and made a part hereof.

iv. Resolution 28, Series 2020, 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 852 South 22<sup>nd</sup> Street to Jerri Robinson. This single-family residence was placed in the February 2020 RFP after its 2019 acquisition via a Metro foreclosure action. The sale price will be \$2,100.00 with its renovations in the estimated amount of \$42,000.00 to be completed within twelve (12) months. Ms. Robinson plans to occupy the residence once the renovations are complete.

Ms. Huelsman also advised that Ms. Robinson is a relative of Darwin Durham, who has renovated and owner-occupied three (3) other RFP structures. Mr. Durham will be assisting Ms. Robinson with her renovations as well.

**Motion:** On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 28, Series 2020, was approved. A copy of said Resolution 28, Series 2020, is attached hereto and made a part hereof.

v. Resolution 29, Series 2020, 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 410 North 35<sup>th</sup> Street, a vacant lot up to 4,000 square feet, to be used solely as a side yard to the applicant's adjacent property through the Adjacent Side Yards disposition program.

Ms. Huelsman explained 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.

Mrs. Terry then advised the Board as to her and her husband's intentions relating to the subject property which is to expand their adjacent residential property and eventually enclose the parcel with a fence. Mrs. Terry also added that they have been assisting in the maintenance of the property for the past ten (10) years.

**Motion:** On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, LBA Resolution 29, Series 2020, was approved. A copy of Resolution 29, Series 2020, is attached hereto and made a part hereof.

vi. Resolution 30, Series 2020, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman informed the Board that the resolution consists of two (2) applicants, Gail Yvonne Russell and Bakhos El-Khoury, who have submitted the appropriate documentation to purchase a vacant lot up to 7,000 square feet without a plan for redevelopment. The vacant lots, situated at 828 Louis Coleman, Jr. Drive and 1022 South 28<sup>th</sup> Street, have been made available through the Cut It Keep It disposition program.

Ms. Huelsman reiterated that these properties will be sold for \$500.00 and that the applicants 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 either applicant builds on the lots 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. El-Khoury then advised that he intends to maintain the property until he can acquire an adjacent parcel that will allow him to build on the lot. Ms. Huelsman added that Mr. El-Khoury owns 1025 South 28<sup>th</sup> Street which is across from the subject property and that all the parcels situated on the same side of the block as 1022 South 28<sup>th</sup> Street are currently vacant lots.

**Motion:** On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, LBA Resolution 30, Series 2020, was approved. A copy of Resolution 30, Series 2020, is attached hereto and made a part hereof.

Disposition Monitoring and Compliance:

Using a PowerPoint presentation, Ms. Grabowski displayed the LBA's compliance procedures relating to dispositions, from start to finish, including procedures used if an applicant is found to be non-compliant with the deed restrictions placed on each disposition. If an applicant meets all the compliance requirements relating to the disposition, CDO staff lets the Department of Codes and Regulations control the compliance efforts. Annual reviews are conducted by CDO staff to verify that applicants are still compliant. If non-compliance is found, the applicants are then contacted by CDO staff or the County Attorney's Office if the LBA's legal rights must be imposed. Non-compliance is normally enforced through the voluntary return of the property to the LBA. However, right of entry may be required in extreme circumstances.

Ms. Grabowski also provided data showing compliance results of 145 dispositions involving structures that the LBA approved from 2014 until the present date. Of those 145 approved dispositions, 77 of the applicants have completed their projects (53%); 49 applicants have requested an extension of their project completion deadlines or have yet to reach their completion deadline (34%); and 11 of the applicants are non-compliant as they have failed to complete their projects (7.6%).

Ms. Grabowski also advised that even though this data relates solely to the rehab of structures, the vacant lots dispositions are not being ignored as that monitoring is done through the review of delinquent property taxes and property maintenance violations.

Mr. Muns and Mr. Schreck expressed their appreciation for all the work the CDO staff is doing to rehabilitate such a high percentage of abandoned and vacant properties. Especially, if you compare the number of dispositions verses the number of non-compliant applicants (100% minus 7.6%).

Ms. Butcher then asked what actions would be taken if a non-compliant applicant is interested in purchasing another LBA property, to which Ms. Huelsman replied, if a non-compliant applicant submits for another property, a one (1) year probationary period has been enacted for that applicant until compliance can be shown. If an applicant hasn't finished a rehab, it's usually due to budget constraints

relating to the amount of structural damage found once the rehab got underway. In some cases, the operating budgets of our non-profits is not enough to complete a project. Ms. Grabowski also pointed out that the need for any type of probationary period would only be considered on a case by case basis as more often than not the non-compliant applicants are returning the properties back to LBA via our donation process.

Announcements:

There were no announcements.

Adjourn:

As there were no more items of business to discuss, on a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, this meeting of the LBA was adjourned at 1:09 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 11, 2020, at the Old Jail Building Auditorium. If the pending states of emergency declared by federal, state, and local Chief Executives due to the COVID-19 pandemic are still in effect, another video teleconference will take place.



CHAIRPERSON  
LOUISVILLE AND JEFFERSON COUNTY LANDBANK AUTHORITY, INC.



STAFF

5/11/2020  
DATE



514 W. Liberty Street  
Louisville, KY 40202

# Louisville Metro Government

## Minutes - Final

### Special VAPStat Meeting

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Thursday, April 16, 2020

12:00 p.m.

Video Teleconference

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This special meeting of the of the **Urban Renewal and Community Development Agency of Louisville** (hereinafter referred to as **URC**) was held via video teleconference pursuant to KRS 61.826 due to the states of emergency declared by federal, state, and local Chief Executives due to the COVID-19 pandemic. The agenda and agenda items for this special meeting of the **URC** were electronically provided to the Commissioners and the public prior to the meeting.

#### COMMISSIONERS PRESENT:

Paul Mastrolia, Chairman  
Michael Hicks  
Crystal McAfee  
Christie McCravy

#### LOUISVILLE METRO GOVERNMENT STAFF PRESENT:

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

Laura Grabowski, Director  
Linette Huelsman, Real Estate Coordinator  
Kevin Manring, Real Estate Coordinator  
Connie Sutton, Administrative Coordinator  
Latondra Yates, Property & Leasing Administrator

##### Office of Housing

Marilyn Harris, Director  
Kaye McAfee, Program and Policy Manager  
Kevin Sullivan, Project Manager

##### Jefferson County Attorney's Office

Stephanie Malone, Assistant Jefferson County Attorney

#### GUESTS:

Brenda Weaver, President of Community Ventures Corporation (hereinafter referred to as "**CVC**")

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

Ms. Grabowski welcomed all the board members and guests and announced that this is a special meeting of URC being conducted via video teleconferencing pursuant to KRS 61.826.

#### Call to Order:

The meeting was called to order at approximately 1:14 p.m. by Chairman Mastrolia.

#### Establish Quorum:

Roll call was taken and four (4) Commissioners were present establishing a quorum necessary to conduct business: Mr. Hicks, Ms. McAfee, Mrs. McCravy, and Mr. Mastrolia.

#### Approval of Minutes:

On motion by Ms. McAfee, seconded by Mr. Hicks, the minutes of the January 13, 2020 special meeting were unanimously approved.

#### New Business:

- i. Resolution 1, Series 2020, Proposed Amendment to Resolution 5, Series 2019, release of deed restrictions relating to the transfer of 914 South 12<sup>th</sup> Street to Metro Bank, Inc.

Using a PowerPoint presentation, Mrs. Yates provided an overview of the proposed amendment to Resolution 5, Series 2019 that would satisfy the request of Metro Bank, Inc. to release the deed restrictions.

**Motion:** On a motion by Mr. Hicks, seconded by Ms. McAfee, and unanimously passed, URC Resolution 1, Series 2020 was approved. A copy of said Resolution 1, Series 2020, is attached hereto and made a part hereof.

Mr. Hicks then announced that, since he resides within Cedar Street Development, he will recuse himself from the meeting until Resolution 2, Series 2020 has been discussed and acted upon.

- ii. Resolution 2, Series 2020, Request to allow CVC to sell parcels within Cedar Street Development to approved third-party developers.

Using a PowerPoint presentation, Mrs. Yates provided an overview of CVC's involvement in the Cedar Street Development subdivision. She also provided a history of the resolutions previously approved by the URC that outline how 26, but not less than 22, single-family detached homes are to be constructed by September 30, 2022 on 27 parcels that were previously transferred to CVC in February 2016. Examples of the previously approved design plans for Cedar Street Development and three (3) of the five (5) single-family homes already constructed by CVC were also shown.

Mrs. Yates went on to state that due to the present housing market challenges, CVC has informed the Office of Housing that they have been approached by third-party developers about the possibility of transferring parcels they may not be able to develop in order that the third-party developers can then negotiate with their qualified buyers and construct the single-family detached homes. Mrs. Yates also advised that CVC has agreed that the Office of Housing will have discretion in deciding the sales to third-party developers.

Mrs. Harris then confirmed that such an agreement does exist between the Office of Housing and CVC. She also added that the Office of Housing will be informed of any such talks that take place between CVC and the third-party developers.

Chairman Mastrolia questioned if the deed restrictions currently in place for these parcels would carry over to the third-party developers if a property was sold, to which Ms. Malone confirmed the existing deed restrictions follow the property.

Chairman Mastrolia then inquired as to who the third-party developers are, to which Ms. Harris replied they are local, non-profit organizations that the Office of Housing has successfully worked with in the past. She was aware of communications with The Housing Partnership, Inc. and REBOUND, Inc. Ms. Weaver also confirmed that Habitat for Humanity of Metro Louisville, Inc. and New Directions, Inc. have also recently approached CVC.

Mrs. McCravy then asked to see the approved housing designs. Mrs. Yates said that staff could provide the approved housing designs to the board in their entirety, then went back to the slides showing the most recently approved.

Mrs. McCravy then inquired as to whether or not outside funding will be involved in any of the contract negotiations to build the homes, to which Ms. Weaver reiterated that outside funding will be needed if they are to offer the homes as “affordable housing”.

Mr. Sullivan also pointed out that any proposed construction designs will again be presented to the Office of Advanced Planning and the Office of Construction Review to confirm that they meet the requirements of the Russell Neighborhood Design Guidelines.

Ms. Weaver then advised that CVC has no intentions not to finish constructing their required number of single-family homes before the September 30, 2022 deadline, but they would like to have the option to allow a third-party developer contract with a qualified buyer who is ready to build. Ms. Weaver added that if any of their current parcels were to sell to a third-party developer, the sale price would be \$4,500.00, which would reimburse CVC for the costs already invested in each parcel to prepare for construction. Chairman Mastrolia then stated that he would need to see how the proposed \$4,500.00 sale price has been calculated to which Ms. Weaver agreed to supply such a calculation.

Mrs. McAfee, with the Office of Housing, added that any perspective buyers working with CVC or any of the third-party developers will have an opportunity to participate in the down-payment assistance program and any other grants the Housing office provides.

Mrs. McCravy then inquired as to whether or not she needs to recuse herself from these discussions since she is a current member of REBOUND, Inc.’s Board of Directors, to which Ms. Malone replied there is no conflict of interest at this time. However, Mrs. McCravy would need to recuse herself if an agenda item comes before the Commissioners in which REBOUND, Inc. was a third-party developer in the project.

Commissioner McAfee then restated that the third-party developers mentioned are all respected within the community and should be given the opportunity to build within Cedar Street Development. Especially, if this subdivision is to be built out before the September 30, 2022 deadline.

**Motion:** On a motion by Mrs. McCravy, seconded by Ms. McAfee, and unanimously passed, URC Resolution 2, Series 2020 was approved. A copy of said Resolution 2, Series 2020, is attached hereto and made a part hereof.

#### Disposition Plans for Remaining Inventory:

Using a PowerPoint presentation, Ms. Huelsman presented how the CDO plans to recommend the disposal of the remaining 16 parcels owned by the URC and located inside the Russell Neighborhood. A few of the unbuildable parcels are adjacent to parcels currently owned by the Louisville and Jefferson County Landbank Authority, Inc. (LBA). Thus, future resolutions will be presented to the URC to request their transfer to the LBA. Once the transfer is accomplished a Request for Proposals or Solicitation of Interest will be issued to assess which developers may be interested in acquiring them. Communications will be initiated with the adjoining property owners of any other unbuildable parcels to ascertain if the lots can be disposed of as a side yard.



Those parcels designated by the Office of Planning and Design Services as large enough to build on, or currently adjoining one another, will also have a Solicitation of Interest issued to assess which developers may be willing to acquire them. This includes the parcel located at 1911 West Muhammad Ali Boulevard which Quinn Chapel African Methodist Episcopal Church adjoins and has failed to submit development plans for as approved by the URC in 2016.

In response to Chairman Mastrolia's inquiries, Ms. Huelsman advised that Quinn Chapel would have to participate in the Solicitation of Interest if they have any intentions to develop 1911 West Muhammad Ali Boulevard and Oracle Revitalization, the owner of 1830 West Chestnut Street, has not reached out to date. Ms. Huelsman did state that Oracle has sold part of their inventory recently, so she is hoping they will reach out to staff about this lot so that it can be developed with 609 and 613 South 19<sup>th</sup> Street.

Ms. Huelsman concluded her presentation by stating the proposed disposition plans will be furnished to the Commissioners and notifications as to the issuance of any Request for Proposals or Solicitations of Interest will be given.

Announcements:

There were no announcements.

Adjourn:

As there were no more items of business to discuss, on a motion by Ms. McAfee, seconded by Mrs. McCravy, and unanimously passed, this meeting of the URC was adjourned at 1:51 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 11, 2020, at the Old Jail Building Auditorium. If the pending states of emergency declared by federal, state, and local Chief Executives due to the COVID-19 pandemic are still in effect, another video teleconference will take place.

DocuSigned by:

*Paul Mastrolia*

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CHAIRPERSON

URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY OF LOUISVILLE

DocuSigned by:

*Latondra Yates*

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STAFF

9/16/2020

DATE