



514 W. Liberty Street
Louisville, KY 40202

Louisville Metro Government

Minutes - Final

VAPStat Joint Meeting

Monday, September 14, 2020

3:00 p.m.

Video Teleconference

This monthly meeting 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 monthly meeting were electronically provided to the Board Members and the public 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
Andrea Brown, Executive Administrator
Linette Huelsman, Real Estate Coordinator
Kevin Manning, Real Estate Coordinator
Christopher Robinson, Community Engagement Manager
Connie Sutton, Administrative Coordinator
Latondra Yates, Property & Leasing Administrator

Office of the Mayor

Jessica Wethington, Deputy of Communications
Alexus Richardson, Public Information Specialist

Jefferson County Attorney’s Office

Stephanie Malone, Assistant Jefferson County Attorney

GUESTS:

Bernardo Caballero, Lifestone Dynamic, LLC
Joel Nwigwe, Le Fabricant d’Argent, LLC
Jeana Dunlap, A Path Forward for Louisville
Kevin Dunlap, REBOUND, Inc.
Nina Musgrave
Emily Vitale, OneWest Corporation

The meeting was initially delayed for a few minutes to correct some technical difficulties one of the Board members experienced when attempting to join the meeting using the Cisco WebEx application.

Welcome and Introductions:

Ms. Grabowski welcomed all the board members and guests and announced that this monthly meeting of LBA is being conducted via video teleconferencing pursuant to KRS 61.826 and streaming live on the Louisville Forward Facebook page.

Vacant and Abandoned Property Statistics:

Using a PowerPoint presentation, Ms. Grabowski presented the LouieStat KPI Report for September 14, 2020.

VAP Successes:

Ms. Grabowski presented a VAP Success relating to the outstanding rehabilitation of the real property located at 1900 Portland Avenue which was acquired by Lifestone Dynamic, LLC in February 2019 under the Last Look – Save the Structure disposition program. The owner plans to eventually move its current business operations to this location and use the second floor as possible residential space.

Community Land Trusts:

Using a PowerPoint presentation, Ms. Brown informed the Board that Louisville Metro Government issued a Request for Proposal (“RFP”) on August 11, 2020 to Community-Based Development Organizations (“CBDOs”) to develop and manage a Community Land Trust (“CLT”) through \$2.1 million in federal Community Development Block Grant funds. Each applicant must meet the CBDO qualifications laid out by the U.S. Department of Housing and Urban Development in order to apply. A closing date of September 25, 2020 has been set for the RFP and various members of the CDO staff will be involved in its review process.

CLTs were highlighted in the Housing Needs Assessment published by the Louisville Metro Office of Housing and the Louisville Affordable Housing Trust Fund. The Housing Needs Assessment provided the city’s first in-depth analysis of housing stock across Louisville Metro and recommended CLTs as one solution to create affordable homeownership and wealth creation opportunities.

Ms. Brown went on to explain that a CLT is a tool to create permanently affordable homeownership opportunities. Under the land trust model, CBDOs retain control of the physical land but sell the homes that sit on it. Since land and structures are valued separately, land can be a costly part of a real estate deal. By selling the house and not the land, CBDOs are able to price the homes at below-market rates that are affordable to low-income individuals and families. Fannie Mae and Freddie Mac are the ones most familiar with the land trust model, but there are other financial institutions that are now getting involved in land trust model and should be able to assist in the sales.

The CBDOs can seek to use property owned by the Louisville-Jefferson County Landbank Authority, or they can either purchase private property to renovate or build single-family homes.

If the buyer decides to sell their CLT home, an agreement with the CBDO dictates the amount for which the house can be sold, allowing the homeowner to receive money from the sale of the home while also ensuring that the home remains affordable for future owners.

The chosen organization(s) will receive the grant funds to cover eligible new construction, acquisition, and rehabilitation-related costs associated with developing and preserving permanently affordable housing through a CLT. It is hoped that the winning applicant will have matching funds in their operating budget, and if not, have the capability of obtaining the necessary funds to advance the land trust forward.

Ms. Brown concluded by adding that Grounded Solutions Network, a national expert as to CLTs has worked with Louisville Metro in the drafting of the RFP and co-hosted an open house in July 2019 to educate housing providers and residents on CLTs. Grounded Solutions is expected to continue to aid in these efforts to eventually form multiple CLTs in Louisville.

Call to Order:

The meeting was called to order at approximately 3:34 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 August 10, 2020 monthly meeting were unanimously approved.

New Business:

i. Resolution 49, Series 2020, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman informed the Board that three (3) 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 2125 Griffiths Avenue, 2711 Northwestern Parkway, and 219 West Woodlawn 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)". 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 Kevin Manning, our 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. If no applications are submitted for the Demo for Deed candidates, the CDO staff will demolish the structures once sixty (60) days has passed.

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, LBA Resolution 49, Series 2020, was approved. A copy of Resolution 49, Series 2020, is attached hereto and made a part hereof.

ii. Resolution 50, 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 who have submitted the appropriate documentation to purchase vacant lots up to 7,000 square feet for \$500.00 without a plan for redevelopment. The vacant lots are situated at 516 North 31st Street and 1916 and 1918 Portland Avenue and have been made available through the Cut It Keep It disposition program.

Ms. Huelsman added that the applicants must comply with the requirements of the LBA's Pricing Policy for Cut It Keep It 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 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 restrict the applicant from selling the property within three (3) years from the date of the Deed.

Ms. Huelsman then advised the Board that the applicants' main purpose behind the purchase is to maintain the lots and keep their respective neighborhoods attractive. There is a strong possibility that Lifestone Dynamic, LLC will develop the two (2) Portland Avenue lots to go along with the rehab project they are finishing at 1900 Portland Avenue.

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, Resolution 50, Series 2020, was approved. A copy of said Resolution 50, Series 2020, is attached hereto and made a part hereof.

iii. Resolution 51, Series 2020, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Huelsman provided an overview of the request for a partial release of deed restrictions relating to the executed transfer of the parcel of real property located at 1652 West Kentucky Street. The subject property was assigned to the Last Look - Save the Structure disposition program which the Board authorized on November 18, 2019, through Resolution 49, Series 2019. Subsequently, the requestor, Le Fabricant d'Argent, LLC, applied and was approved by CDO as its purchaser which required it to renovate the property's single-family residence within eighteen (18) months – six (6) months for the exterior and twelve (12) months for the interior. Because of an infestation of termites, this company will not be able to complete the renovation of the parcel's single-family residence and is requesting that it be allowed to demolish the structure within forty-five (45) days as stipulated under the Last Look - Demo for Deed disposition program.

Ms. Huelsman and Mr. Manring then answered questions from the Board as to what led to the need to demolish the parcel's structure and what plans Le Fabricant d'Argent, LLC has for the vacant lot once the demolition is complete.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 51, Series 2020, was approved. A copy of said Resolution 51, Series 2020, is attached hereto and made a part hereof.

iv. Resolution 52, Series 2020, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Grabowski provided an overview of the proposed resolution authorizing a Preferred Developer Pilot Program in support of REBOUND, Inc.'s implementation of A Path Forward for Louisville's 100 homes strategy. A Path Forward for Louisville, consisting of a group of local leaders, has issued a call to action outlining actionable strategies to improve circumstances around jobs, education, health, and housing for Louisville's African American constituents and REBOUND, Inc., ("REBOUND") a Kentucky non-profit corporation, is serving as the lead organization to implement that strategy.

Ms. Grabowski then advised that REBOUND'S submitted Letter of Intent and the proposed pilot program's outlined terms that REBOUND has agreed to follow to be designated as a "preferred developer" are attached to the respective resolution. Those terms are as follows:

- REBOUND may request up to four (4) vacant lots at a time. Additional properties (up to 4) may be requested once an equal number of previously sold properties are under roof. Requests must include application, appropriate building plans, construction budget, and proof of funds for each property.
- Applications under this program submitted by REBOUND will be reviewed by CDO staff and properties approved by the LBA.
- The sales price for vacant lots requested under this program will be \$1.00 and will include standard LBA sales conditions within the deeds, including the requirement that the property to be returned to the LBA if any conditions are not met.
- REBOUND will be notified of newly-acquired vacant lots prior to any action by the LBA to dispose of such lots.
- No dispositions shall take place until the 7-day notice requirement in accordance with KRS 65.370(3) and (4) is met.
- Quarterly reports must be submitted by REBOUND and presented to the LBA Board by CDO staff detailing progress with each property and the entire project.
- The Pilot Program will last 24 months and will be renewable in two (2) year increments upon REBOUND's request and the LBA's approval.

Ms. Dunlap then explained the purpose behind the formation of A Path Forward for Louisville and why this organization and its associated partners are requesting that REBOUND be given the status of a Preferred Developer.

Mr. Dunlap then re-iterated REBOUND's history with the LBA and explained how it plans to construct the homes and market any properties acquired under the proposed Preferred Developer Pilot Program. Mr. Dunlap also stated that he believes most of its buyers will come out of the homeowner assistance program run by the Louisville Urban League's Center for Housing and Financial Empowerment.

In reply to various questions coming from the Board and guests viewing the video teleconference, Ms. Grabowski re-emphasized that REBOUND cannot apply for any properties until they are advertised in the Courier Journal and the 7-day notice requirement has passed. Ms. Dunlap then re-iterated that REBOUND will also be looking at acquiring real property outside of the LBA's existing inventory to achieve their 100 home goal.

Each of the Board members agreed that the Preferred Developer Pilot Program fits into the LBA's mission, however, REBOUND needs to meet all the outlined terms for the program to be a success. The same would be true for any other developer interested in participating in the pilot program.

On motion of Chairman Schreck, the terms attached to the Resolution were amended to provide that REBOUND would have seven (7) days to review the newly acquired vacant lots.

Motion: On a motion by Mr. Muns, seconded by Mrs. Butcher, and unanimously passed, Resolution 52, Series 2020, as amended, was approved. A copy of said Resolution 52, Series 2020, is attached hereto and made a part hereof.

v. Resolution 53, Series 2020, of the Louisville and Jefferson County Landbank Authority, Inc.

Using a PowerPoint presentation, Ms. Grabowski provided an overview of the proposed resolution requiring the examination of the LBA's policies by utilizing the Louisville Metro Government's Racial Equity Tool – Worksheet. Because of the recent discussions taking place in Louisville Metro relating to racial equity, the CDO staff wants to examine the LBA's current and future policies relating to vacant

property acquisition and disposition for institutional racism and bias to mitigate unintended consequences, and to help advance racial equity. Especially, since the main mission of the LBA is to support the transformation of vacant and abandoned property into community assets for the benefit of the citizens of Louisville Metro. To accomplish this, the CDO staff wishes to implement the Racial Equity Tool and its six (6) step process. The Tool's worksheet provides questions that help provoke thought and deeper analysis in each step.

The six (6) steps of the Racial Equity Tool are as follows:

1. **Set a Vision and Outcomes:** Determine the ways that the proposal is meant to advance racial equity and define key community outcomes for racial equity.
2. **Involve Stakeholders and Gather Data:** Gather information from community and staff on how the proposal benefits or burdens the community in terms of racial equity.
3. **Determine Benefit and/or Burden:** Utilize stakeholder input and data to inform the analysis of how the proposal impacts and aligns with key community outcomes for racial equity identified earlier.
4. **Advance Opportunity or Minimize Harm:** Develop strategies to advance racial equity or minimize unintended consequences.
5. **Evaluate, Communicate and Be Accountable:** Track outcomes for communities of color over time. Continue to communicate with and involve stakeholders. Document unresolved issues.
6. **Report Back:** Share information learned from the analysis and any unresolved issues with Louisville Metro's Office of Equity and department leadership.

Ms. Grabowski then advised that the policies and procedures to be examined include – but are not limited to – vacant lot and vacant structure sales programs, agricultural policies, community engagement strategies, acquisition methods, contracting opportunities, and existing and potential partnerships. Over the next six (6) months, the CDO staff will initiate a Racial Equity Work Group to facilitate this process. The Work Group will consist of community members, Louisville Metro Government staff, and any Board members who desire to participate. During the review process, CDO staff will present status updates and results from this examination to the Board and the public on a monthly basis through the VAPStat Joint Meeting.

The Board will approve all new policies, or revisions to existing policies, only after examination under the Racial Equity Toolkit process. The Racial Equity Tool - Worksheet will be attached to each policy.

Each of the board members replied that they welcome such a review as there may be policies in place that could potentially and unintentionally be subject to institutional racism or bias and they believe a big part of the LBA's mission is to advance racial equity within Louisville Metro.

Motion: On a motion by Mrs. Butcher, seconded by Mr. Muns, and unanimously passed, Resolution 53, Series 2020, was approved. A copy of said Resolution 53, Series 2020, is attached hereto and made a part hereof.

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 5:04 p.m.

Closing Remarks:

Ms. Grabowski expressed her appreciation to everyone for their attendance and participation. She also reminded the board that the next meeting of the LBA will be conducted on October 12, 2020, at 3:00 p.m., 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 may take place.

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William Schreck

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CHAIRPERSON

LOUISVILLE AND JEFFERSON COUNTY LANDBANK AUTHORITY, INC.

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Latondra Yates

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STAFF

10/20/2020

DATE



514 W. Liberty Street
Louisville, KY 40202

Louisville Metro Government

Minutes - Final

VAPStat Meeting

Monday, September 14, 2020

3:00 p.m.

Video Teleconference

This monthly meeting 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 monthly 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
Dana Spencer

LOUISVILLE METRO GOVERNMENT STAFF PRESENT:

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

Laura Grabowski, Director
Andrea Brown, Executive Administrator
Linette Huelsman, Real Estate Coordinator
Kevin Manring, Real Estate Coordinator
Christopher Robinson, Community Engagement Manager
Connie Sutton, Administrative Coordinator
Latondra Yates, Property & Leasing Administrator

Office of the Mayor

Jessica Wethington, Deputy of Communications
Alexus Richardson, Public Information Specialist

Jefferson County Attorney's Office

Stephanie Malone, Assistant Jefferson County Attorney

The meeting was initially delayed for a few minutes to correct some technical difficulties that occurred relating to the usage of the Cisco WebEx application.

Welcome and Introductions:

Ms. Grabowski welcomed all the commission members and guests and announced that this monthly meeting of URC is being conducted via video teleconferencing pursuant to KRS 61.826 and streaming live on the Louisville Forward Facebook page.

Call to Order:

The meeting was called to order at approximately 5:23 p.m. by Chairman Mastrolia.

Establish Quorum:

Roll call was taken and five (5) Commissioners were present establishing a quorum necessary to conduct business: Mr. Hicks, Ms. McAfee, Mrs. McCravy, Ms. Spencer, and Mr. Mastrolia.

Approval of Minutes:

On motion by Mrs. McCravy, seconded by Ms. McAfee, the minutes of the April 16, 2020 special meeting were unanimously approved with the exception of a minor correction to the spelling of Mrs. McCravy's first name.

New Business:

- i. Resolution 3, Series 2020, authorizing the conveyance of certain parcels of real property for use as an "adjacent side yard".

Using a PowerPoint presentation, Ms. Huelsman informed the Commission that the resolution consists of five (5) parcels which have been identified as too small for the legal construction of a home upon them. Those parcels are located at 609 and 613 South 19th Street, 309 South 20th Street, 1516 Congress Street, and West Jefferson Street (Parcel ID: 014G-0172-0000).

Therefore, staff is recommending that the parcels be conveyed to adjoining property owners, for the consideration of One Dollar (**\$1.00**), for use as side yards, as outlined in the disposition plans for the remaining inventory discussed at the April 16, 2020 special meeting.

Motion: On a motion by Ms. McAfee, seconded by Mr. Hicks, and unanimously passed, URC Resolution 3, Series 2020 was approved. A copy of said Resolution 3, Series 2020, is attached hereto and made a part hereof.

- ii. Resolution 4, Series 2020, authorizing the conveyance of certain parcels of real property to the Louisville and Jefferson County Landbank Authority, Inc. for disposition.

Using a PowerPoint presentation, Ms. Huelsman informed the Commission that the resolution consists of five (5) parcels which have been identified by staff as unsuitable for future development. Those parcels are located at 533 South 18th Street, 221 South 19th Street, 1828 and 1820 Congress Street, and 315 Dr. W.J. Hodge Street.

Ms. Huelsman then advised that the Louisville and Jefferson County Landbank Authority, Inc. ("**LBA**") owns parcels of land which adjoin these same parcels of real property, as outlined in the disposition plans for the remaining inventory discussed at the April 16, 2020 special meeting. Thus, staff is recommending that the parcels be conveyed by deed of special warranty for the consideration of One Dollar (**\$1.00**) per parcel to the LBA.

Ms. Huelsman added once these parcels are conveyed, the LBA will use a Solicitation of Interest to market the parcels for disposal per the LBA's Real Estate Disposition Programs approved February 12, 2018 by Resolution 1, Series 2018 and modified March 9, 2020 by Resolution 24, Series 2020.

Motion: On a motion by Mrs. McCravy, seconded by Ms. McAfee, and unanimously passed, URC Resolution 4, Series 2020 was approved. A copy of said Resolution 4, Series 2020, is attached hereto and made a part hereof.

iii. Resolution 5, Series 2020, authorizing the marketing of certain parcels of real property through a Solicitation of Interest.

Using a PowerPoint presentation, Ms. Huelsman informed the Commission that this resolution consists of two (2) parcels which have been identified by staff as suitable for future development. Those parcels are located at 1515 West Jefferson Street and 1911 West Muhammad Ali Boulevard which adjoins Quinn Chapel African Methodist Episcopal Church.

Ms. Huelsman also stated that staff is recommending that the URC market these parcels to the public by issuing its own Solicitation of Interest to assess which developers may be willing to develop them as provided in the Russell Neighborhood Urban Renewal Plan. The appraised values of \$4,100.00 and \$20,000.00 will be listed within the solicitation as the minimum sale price for the respective parcels.

Ms. Huelsman concluded by stating notifications as to the issuance of any Solicitations of Interest will be provided to the Commissioners and any submitted development plans will be presented to the Commission for review and approval before either parcel is conveyed.

Motion: On a motion by Mr. Hicks, seconded by Ms. McAfee, and unanimously passed, URC Resolution 5, Series 2020 was approved. A copy of said Resolution 5, Series 2020, is attached hereto and made a part hereof.

Announcements:

There were no announcements.

Adjourn:

As there were no more items of business to discuss, on a motion by Ms. McAfee, seconded by Mr. Hicks, and unanimously passed, this meeting of the URC was adjourned at 5:43 p.m.

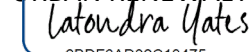
Closing Remarks:

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 October 12, 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.

Paul Mastrolia

CHAIRPERSON

DocuSigned by:
URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY OF LOUISVILLE


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STAFF

1/21/2021

DATE