



514 W. Liberty Street  
Louisville, KY 40202

# Louisville Metro Government

## Minutes - Final

### VAPStat Joint Meeting

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Monday, August 8, 2022

3:00 p.m.

Old Jail Auditorium

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This regular meeting of the Louisville and Jefferson County Landbank Authority, Inc. (hereinafter referred to as "LBA") were electronically provided to the Board Members prior to the meeting.

#### BOARD OF DIRECTORS PRESENT:

William P. Schreck, Chairperson  
Reverend Jamesetta Ferguson, Vice-President  
Edward D. Muns, Treasurer

#### LOUISVILLE METRO GOVERNMENT STAFF PRESENT:

##### Office of Housing and Community Development (hereinafter referred to as "OHCD")

Laura Grabowski, Director  
Tia Bowman, Real Estate Program Supervisor  
Richard Ballard, Real Estate Coordinator  
Elaine Osorio, Real Estate Coordinator  
Christopher Robinson, Community Engagement Manager  
Connie Sutton, Real Estate Program Coordinator

##### Jefferson County Attorney's Office

Travis J. Fiechter, Assistant Jefferson County Attorney (Attended virtually)  
Anne Scholtz, Assistant Jefferson County Attorney

#### GUESTS PRESENT:

Dominic Anthony  
Charles Berkley

The meeting was initially delayed to correct technical difficulties experienced by two (2) Board members attempting to virtually join the meeting using the Cisco WebEx application.

#### Welcome and Introductions:

Ms. Grabowski welcomed all the board members and guests and announced that this regular meeting is being conducted via video teleconferencing pursuant to KRS 61.826 and that the meeting would start with the reading of the Chair's statement and then a recent success.

#### Call to Order:

The meeting was called to order by Chairman Schreck at approximately 3:34 p.m.

The one item that is different about this program is “long-term renters” are recommended to participate if they have lived in their rental units for five (5) years. In our Western neighborhoods, a lot of people are long-term renters, and we want to see homeownership rates increase. It’s hoped that this program will allow our buyers to build wealth.

Mr. Schreck asked if the items listed for the program’s intended end use are the only options to which Ms. Grabowski replied that the items listed may not be the only end uses, but are based on prior applications. If an applicant submitted an application with a different end use, the OHCD team would take a look at it, but these are generally the intended uses seen in the past.

Dr. Ferguson then asked if applicants who plan to build on the lot need to submit construction plans to which Ms. Grabowski replied no. but there is no prohibition against it. Ms. Grabowski added that the intentions of Lot On My Block is to build the wealth of families that live on that block. If the applicant decides in three (3) years to build on the property, then that’s great. The OHCD team does request that, if a buyer plans to sell the property within three (3) years, that they return to the Board ask for a release of the deed restrictions. Ms. Grabowski also stated that one of the reasons this program was revised was to gear one of our program towards owner-occupants and/or long-term renters. Especially, since the Cut It Keep It program saw quite a few approved investors not build on the lot within the three (3) year time frame as was stated as the end use.

The “Build Back Our Blocks” disposition program (formerly known as the “Budget Rate” and “Flex Rate Policy for New Construction Projects”) is the new construction recommendation geared towards homeownership opportunities. This program has two (2) cost variations, the “Ready Rate” and the “Opportunity Rate” for applicants who need site control to raise funding through a capital campaign or need the property for financing. If the applicant needs to submit under the Opportunity Rate, there is a higher price point and a longer timeframe for the property to be constructed. Eligible parcels are vacant lots up to 10,000 square feet and the eligible applicants are individuals and organizations with the capacity to construct new residential or commercial buildings. Ms. Grabowski stated that one of the major changes in this program is the attempt to move away from first-come, first-served applications. Therefore, applications can be submitted in a 14-day window and will then be scored.

Mr. Anthony then asked, “How do you know if applicants are a minority or not?”, to which Ms. Grabowski responded that there is a demographic section within the LBA’s applications that is not mandatory to complete. However, OHCD does request that an applicant complete this section to assist in the tracking. Chairman Schreck asked if is there a legal reason why the demographic section of the application cannot be mandatory, to which Ms. Grabowski responded that up until October 2021 demographic information was not being collected on the applications. However, research can be done to see if that information can be a required field for each application. Mr. Robinson added, without having exact numbers, he believed that 85% - 90% of the applicants have supplied their demographic information.

The “Grow In Your Neighborhood” program, in comparison, is not much different than OHCD’s current Agricultural Projects program. OHCD has heard from community members and gardeners alike as to some possible changes that could be made. Hence, our UK/Jefferson County Extension Office partners have been asked to assist staff in its recommendations. Until further information is received, any other changes to this program will be tabled for now.

The “Homeowners First” program is designed for any property acquired by LBA whose structure’s condition is not move-in ready, but the structure is also not a demolition candidate. When the OHCD team looked across the country, it found that multiple landbanks are selling directly to owner-occupants. Although that has never been prohibited by the LBA, owner-occupant sales do not happen very often. Therefore, the first 30 days of the launch of a new property assigned to Homeowners First will be for eligible applicants with intentions to be an owner-occupant. If after 30 days, there are no viable applications, then the program will open to developers who would like to purchase, rehab, and sell to an owner occupant. Ms. Grabowski stated that the number of properties assigned to this program will be small based on the inspections of the LBA’s current inventory of

In conclusion, Ms. Grabowski requested that the Board approve Resolution 17, Series 2022 which will implement the new and revised LBA disposition programs and advised that the next steps will be to finalize the electronic application revisions within eProperty Plus, continue education sessions throughout the community to discuss the programs, and hopefully re-launch the LBA's disposition programs by September 1, 2022.

Mr. Muns then asked if the requirement that applications not be submitted if the applicant has more than one (1) unfinished project going on is the staff's recommendation. Ms. Grabowski answered that it is the staff's intentions to make that a requirement as that has been the practice in the past, but has never been written into policy. This requirement will allow the OHCD staff to ensure each organization's approved, development plans are in line with our goals.

Mr. Muns then asked if this new policy prevents several organizations from purchasing and building on multiple sites at once to which Ms. Grabowski advised that OHCD staff understand there are developers who want to develop more than one neighboring parcel at the same time. But, in that scenario, any developer wanting to purchase up to four (4) parcels at one time may need to be considered as a preferred developer. If that scenario arises, the OHCD staff will need to review and discuss the preferred developer pilot that is currently underway with REBOUND, Inc.

Mr. Muns then re-iterated that the intention of this proposed requirement is to prohibit anyone from purchasing properties for more than two (2) development projects if their first project has not been completed to which Ms. Grabowski concurred. Mr. Muns then stated that it's important to state the correct language in the policies to prevent the OHCD staff from having to come back to the board to present an exception. Mr. Muns also asked is there anything that prevents the OHCD staff to decide how parcels are presented to the public to which Ms. Grabowski stated there is nothing in writing that prevents the staff from selecting certain parcels based on where they are located.

Chairman Schreck then asked if these program changes have been published for the public's viewing to which Ms. Grabowski replied that the recent community meetings highlighted in the VAP Success have provided opportunities for the public to ask questions. Although these changes had not yet been approved, the OHCD staff did have an idea of where we were headed. Ms. Osorio then informed the Board that interested parties have been advised to view the May 24, 2022 meeting for more information and each participant has been given our contact information to follow up if they had any questions or concerns. Ms. Grabowski then mentioned that staff has spoken with a few of our partners, as well as previous applicants who have been approved and denied to get their input.

Chairman Schreck asked would there be an issue if the board requested the tabling of Resolution 17, Series 2022 until next month so that more community engagement can be done through all of OHCD's communication channels to which Ms. Grabowski stated there would be no harm in that. Mr. Muns asked if tabling the resolution would halt property sales to which Ms. Grabowski responded it will as the programs have been stopped since June 2022 so the OHCD staff could focus on what the recommendations would look like. Dr. Ferguson then asked if there is any history of a high intake of applications in August to which Ms. Grabowski stated that she is unsure if August is a higher disposition month as that would typically depend on what type of acquisitions are coming in from the foreclosures. Dr. Ferguson then asked if it's possible to approve the disposition programs that have not changed and delayed the programs with changes until next month to which Ms. Grabowski responded that for transparency purposes and community members to better understand the policies the best decision would be to launch all the programs at once. Dr. Ferguson then stated that she agreed with Chairman Schreck that more community input would allow for greater transparency.

**Motion:** On a motion by Dr. Ferguson, seconded by Mr. Muns, and unanimously passed, LBA Resolution 17, Series 2022, was tabled until the next regularly scheduled meeting on September 12, 2022. A copy of Resolution 17, Series 2022, is attached hereto and made a part hereof.