

RESOLUTION NO. \_\_\_\_\_

**INTERAGENCY GOVERNMENTAL AGREEMENT WITH THE LOUISVILLE METRO  
GOVERNMENT FOR CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT  
SERVICES – AMENDMENT #1  
CRITICAL COMMUNITY IMPROVEMENTS PLAN**

**Item No. 5c**

WHEREAS, on December 12, 2016 the Department of Housing and Urban Development (HUD) awarded the Louisville Metro Housing Authority (LMHA) and the Louisville Metro Government (LMG) a \$29,575,000 Choice Neighborhoods Initiative (CNI) Implementation grant to redevelop the Beecher Terrace public housing site, to provide relocation and supportive services to Beecher Terrace households and to make other Critical Community Improvements within the Russell neighborhood; and

WHEREAS, in addition to the information that was provided within Exhibit F. 2 of the Choice Implementation grant application on Critical Community Improvements (CCI), LMHA was required to submit a CCI Plan that included extensive details on the proposed projects to the Department of Housing and Urban Development (HUD) as one of the supplemental submissions to the CNI grant agreement; and

WHEREAS, on May 15, 2018 HUD completed its initial review of the CCI plan and approved our proposed CCI projects in concept which include: 1) the stabilization of the historic Quinn Chapel, 2) a Smart City public safety/WiFi hotspot initiative, 3) redevelopment activities on and nearby the 18<sup>th</sup> Street Corridor, 4) the finishing of leasehold spaces at The Village @ West Jefferson which will be constructed by Molo Village Community Development Corporation, and 5) the finishing of leasehold spaces within the Business Center at the Old Walnut campus which will be performed by Louisville Central Communities Centers. The total amount of CNI funds currently allocated to the CCI Plan is \$2,495,750; and

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WHEREAS, the CCI projects involve Louisville Metro Government (LMG) held streets, sidewalks, properties and/or established governmental processes, and LMG can supply many of the research, technical, administrative, project management, consultant and contractor services needed to implement CCI Plan activities including but not limited to the required Part 58 environment reviews for these projects; and

WHEREAS, upon completion of the individual Environmental Reviews and HUD's final approval of the CCI projects, LMG will require up to \$1,936,250 in CNI funds to invest in and implement these CCI projects, and will contribute approximately \$2,538,000 in leverage contributions towards these projects; and

WHEREAS, MOLO Village CDC requires \$30,000 to close the gap in their budget to demolish the distressed rear annex of St. Peter's United Church of Christ. The demolition of this structure will make way for needed tenant improvements to The Village @ West Jefferson including the addition of a playground area for Head Start students, and an Interactive Teller Machine (ITM) for a Credit Union; and

WHEREAS, LMG has agreed to contribute an additional \$30,000 in cash leverage to MOLO's The Village @ West Jefferson project towards demolition costs, which would pass through LMHA in the same manner as LMG's other leverage contribution to the project; and

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WHEREAS, LMG agrees to continue to provide needed research, technical, administrative and project management services needed to successfully implement all CNI CCI projects on an in-kind basis; and

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS, that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to amend the IGA between LMHA and LMG to increase LMG's leverage contribution to CNI CCI projects by \$30,000, for a revised total of \$2,568,000 and for LMHA to continue to provide CCI funding to LMG in a total amount not to exceed \$1,936,250 for the services needed to successfully implement the CCI Plan activities.

## RESOLUTION BACKGROUND STATEMENT

### INTERAGENCY GOVERNMENTAL AGREEMENT WITH THE LOUISVILLE METRO GOVERNMENT FOR CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT SERVICES – AMENDMENT #1 CRITICAL COMMUNITY IMPROVEMENTS PLAN

#### Item No. 5c

#### I. STATEMENT OF FACTS:

On December 12, 2016 the U.S. Department of Housing and Urban Development (HUD) awarded a \$29,575,000 Choice Neighborhoods Initiative (CNI) Implementation Grant to the Louisville Metro Housing Authority (LMHA) and the Louisville Metro Government (LMG). The grant will be leveraged with a variety of other funding sources to relocate and provide case management and other supportive services to Beecher Terrace households; to redevelop the site into a mixed-income community with a variety of housing options and updated amenities; and to create additional off-site replacement housing.

In addition to housing, relocation and other supports for Beecher Terrace households, currently \$2,495,750 of our CNI Implementation grant funds are allocated towards Critical Community Improvements (CCI's) within the Russell neighborhood. Proposed CCI projects were originally outlined within our CNI Implementation grant application. LMHA also submitted an additional Critical Community Improvements (CCI) Plan to HUD within one year of the grant award as one of the required supplemental submissions outlined in our grant agreement. This plan details each of our proposed CCI projects, including the entity managing each CCI activity, the partner(s) involved in the project, the proposed budget, other funding that will be leveraged towards the project, and how the project will further support economic development or directly enhance and accelerate the transformation of Russell and the newly redeveloped Beecher Terrace site.

The plan currently includes five HUD-approved CCI funded projects. As per the original Interagency Governmental Agreement (IGA) which was executed on August 26, 2019, Louisville Metro Government staff will be providing services and supports for all CCI projects and managing the following three projects:

- The stabilization of the historic Quinn Chapel located at the corner of Chestnut and 9<sup>th</sup> streets in partnership with the YMCA \$300,000
- The installation of network cameras and WiFi service at key locations within Russell as part of a Smart City public safety initiative \$400,000

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**I. STATEMENT OF FACTS (cont'd):**

- The acquisition, land banking and rehabilitation of commercial and residential structures on or nearby the 18<sup>th</sup> Street Corridor \$1,236,250

**Subtotal of CCI funds for LMG led CCI projects **\$1,936,250****

The plan includes two additional proposed CCI projects that will be managed by LMHA staff:

- Finishing of leasehold spaces at the new “The Village at West Jefferson” to be constructed by the Molo Village Community Development Corporation \$331,000.
- Finishing of leasehold spaces within the Business Center at the Old Walnut Street campus by the Louisville Central Community Centers \$228,500

**Subtotal of CCI funds for LMHA led CCI projects \$ 559,500**

**TOTAL CCI FUNDS **\$2,495,750****

In addition to CCI funding provided through the Choice Implementation grant, LMG will be providing approximately \$2,538,000 in leverage contributions towards these five projects, including \$950,000 in grant funds the City has received from the National Parks Service and \$150,000 in LMG general funds for the stabilization of the historic Quinn Chapel, \$70,000 in LMG general funds for the construction of the Village at West Jefferson, \$98,000 in LMG general funds for the Smart City public safety initiative, and \$1,270,000 for the 18<sup>th</sup> Street Corridor initiatives. Additional leverage from project partners totals \$7,217,429.

Amendment #1 to the Interagency Governmental Agreement will allow LMG to contribute an additional \$30,000 in cash leverage contributions to the MOLO Village CDC’s Village @ West Jefferson project, for a total leverage contribution of \$100,000. The additional leverage will close the gap in funding needed to demolish the severely distressed rear annex of St. Peter’s United Church of Christ. St. Peter’s UCC is providing \$118,356 towards the cost from general funds, and \$65,000 is being sought from philanthropic foundations to raise the

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### INTERAGENCY GOVERNMENTAL AGREEMENT WITH THE LOUISVILLE METRO GOVERNMENT FOR CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT SERVICES – AMENDMENT #1 CRITICAL COMMUNITY IMPROVEMENTS PLAN

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#### I. STATEMENT OF FACTS (cont'd):

total to \$213,356 needed for demolition. The demolition will make way for needed site modifications to bring in two significant tenants – a Head Start service, and a Community Credit Union. Once the rear annex is demolished, MOLO Village CDC can proceed with the construction of a playground for students, and a drive-up interactive teller machine for the Credit Union.

#### II. ALTERNATIVES:

- A. Approve Amendment #1 to the Interagency Governmental Agreement for the Critical Community Improvements services with the Louisville Metro Government.
- B. Do not approve Amendment #1 to the Interagency Government Agreement at this time.

#### III. RECOMMENDATION:

Staff recommends Alternative “A”.

#### IV. JUSTIFICATION FOR RECOMMENDATION:

- HUD has conducted an in-depth review and provided approval in concept for each of the proposed CCI projects.
- The LMG has committed an additional \$30,000 in cash leverage as gap funding to complete demolition of the severely distressed annex of St. Peter’s United Church of Christ to make way for essential community amenities.
- The LMG will provide the administrative and technical assistance, including Part 58 Environmental Reviews, along with other consultant services and leverage contributions needed to complete Critical Community Improvements (CCI) projects.

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**IV. JUSTIFICATION FOR RECOMMENDATION (cont'd):**

- LMG staff is qualified to perform the needed services to successfully implement CCI projects, as represented by their current and past experiences.
- The budget to conduct CCI Plan activities has been reviewed by LMG staff and found to be reasonable.

**V. BUDGET APPROVAL:**

Funding for LMG to provide administrative and technical assistance and to procure consultant and contractor services is provided from the Choice Neighborhood Initiative Implementation Grant and other committed CNI leverage funds.

\_\_\_\_\_  
Angela Larsson, Director of Finance

\_\_\_\_\_  
Date

**VI. PROCUREMENT CERTIFICATION:**

The process for amending this Interagency Governmental Agreement with the Louisville Metro Government is in compliance with the Louisville Metro Housing Authority's procurement policies and procedures.

\_\_\_\_\_  
Steve Webb, Purchasing Agent

\_\_\_\_\_  
Date

Submitted by: Kathleen O'Neil, Executive Planner and Choice Neighborhood Coord.  
Pam Bischoff, Assistant Choice Neighborhood Coordinator  
September 15, 2020