

RESOLUTION NO. _____

AUTHORIZATION TO SELL 2400 W. CHESTNUT STREET

Item No. **5b**

WHEREAS, the Louisville Metro Housing Authority (LMHA) owns the property located at 2400 W. Chestnut Street; and

WHEREAS, the above listed property has undergone mold and lead abatement and some interior renovations. The property is still in need of extensive and costly interior renovations as well as exterior repairs including brick work due to a fire that occurred next door causing additional damage to the structure; and

WHEREAS, the above listed property was deemed too costly for LMHA to justify rehabilitation and was submitted to the HUD Special Applications Center for disposition approval. Disposition approval was received on May 7, 2021; and

WHEREAS, LMHA advertised for sale the above-mentioned property on July 2, 2021 and two bids were received; and

WHEREAS, Rehan Alhadad was the high bidder and has agreed to purchase the property for a sum of \$25,000.00.

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 execute documents necessary to sell 2400 W. Chestnut Street to Rehan Alhadad for \$25,000.00.

RESOLUTION BACKGROUND STATEMENT
AUTHORIZATION TO SELL 2400 W. CHESTNUT STREET

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I. STATEMENT OF FACTS:

LMHA proposes to sell property to Rehan Alhadad. The property is located at 2400 W. Chestnut Street.

The above listed property has undergone mold and lead abatement and some interior renovations. The property is still in need of extensive and costly interior renovations as well as exterior repairs including brick work due to a fire that occurred next door causing additional damage to the structure.

The above listed property was deemed too costly for LMHA to justify rehabilitation and was submitted to the HUD Special Applications Center for disposition approval. Disposition approval was received on May 7, 2021.

LMHA advertised for sale the above-mentioned property on July 2, 2021 and two bids were received.

<u>2400 W. Chestnut</u>	<u>Bid Amount</u>
Rehan Alhadad	\$25,000
New Directions	\$24,000

II. ALTERNATIVES:

- A. Approve selling the property to Rehan Alhadad for \$25,000.00.
- B. Do not sell the property and pursue other options.

III. RECOMMENDATION:

Staff recommends Alternative "A".

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IV. JUSTIFICATION:

- The cost to renovate the property would be excessive.
- LMHA will not have to maintain the disposed property.
- Buyer plans to renovate property and use as rental units.

V. PROCUREMENT CERTIFICATION:

This sale is in compliance with Louisville Metro Housing Authority policy.

Steve Webb, Purchasing Agent

Date

Prepared by: Tonya M. Wise
Capital Improvements Planner

Submitted by: Jeff Ralph, Director
Strategic Initiatives Department
September 21, 2021