

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

**AUTHORIZATION TO EXECUTE GRANT DOCUMENTS, ALLOCATE PROJECT-BASED VOUCHERS, AND COMMIT SECTION 8 HUD-HELD RESERVE FUNDING TO THE IROQUOIS SENIOR LIVING COMMUNITY**

**Item No. 5C**

WHEREAS, the Louisville Metro Housing Authority (LMHA) plans to develop the Iroquois Senior Living Community, a 60-unit affordable rental development at 1400 Bicknell Avenue on an approximately 3.8-acre portion of the 42-acre site formerly occupied by the Iroquois Homes public housing development; and

WHEREAS, the development will serve residents aged 55-plus and households that are very-low income (50% AMI) (13 units) and extremely low-income (30% AMI) (47 units) using Project-Based Voucher subsidy; and

WHEREAS, LMHA applied for and received an award from the Louisville Affordable Housing Trust Fund in the form of a forgivable construction/permanent project loan in the amount of \$11,750,000 for the development of the Iroquois Senior Living Community; and

WHEREAS, to receive and utilize these funds, LMHA must enter into a grant agreement and execute related documents with the Louisville Affordable Housing Trust Fund; and

WHEREAS, the budget for the development of the Iroquois Senior Living Community requires the commitment of \$12,125,500 of Section 8 HUD-held reserve funding.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the Board authorizes the Executive Director, Lisa Osanka, to take such actions and execute any

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documents as needed in regards to the Louisville Affordable Housing Trust Fund grant.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that 60 Project-Based Vouchers be allocated for the Iroquois Senior Living Community as allowed under 24 CFR 983.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that \$12,125,500 of Section 8 HUD-held reserve funding be committed to the development of the Iroquois Senior Living Community.

## RESOLUTION BACKGROUND STATEMENT

### **AUTHORIZATION TO EXECUTE GRANT DOCUMENTS, ALLOCATE PROJECT-BASED VOUCHERS, AND COMMIT SECTION 8 HUD-HELD RESERVE FUNDING TO THE IROQUOIS SENIOR LIVING COMMUNITY**

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#### I. **STATEMENT OF FACTS:**

The Louisville Metro Housing Authority (LMHA) plans to develop 60 units of affordable rental housing at 1400 Bicknell Avenue on an approximately 3.8-acre portion of the 42-acre site formerly occupied by the Iroquois Homes public housing development, furthering the Authority's commitment to providing one-for-one replacement of these demolished units.

The development will serve residents aged 55-plus and households that are very-low income (50% AMI) (13 units) and extremely low-income (30% AMI) (47 units).

Original Iroquois Homes residents (those who were relocated from the site prior to demolition) who still live in LMHA housing will have a lifetime residency preference for the apartments.

Funding for the development of the site will consist of two sources:

1. A grant in the form of a construction/permanent project loan in the amount of \$11,750,000 from the Louisville Affordable Housing Trust Fund. The loan will have a 0% interest rate, have a 20-year term, and be forgiven at maturity; and
2. Section 8 HUD-held reserves in the amount of \$12,125,500.

Ongoing operating subsidy will be provided by 60 Project-Based Vouchers.

In order to receive and utilize the grant from the Louisville Affordable Housing Trust Fund (in the form of a construction/permanent project loan), LMHA must execute certain documents including, but not limited to, a grant agreement and loan documents.

In order to use Section 8 HUD-held reserves and Project-Based Vouchers, such funds and vouchers must be committed by the LMHA Board of Commissioners.

**RESOLUTION BACKGROUND STATEMENT**

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**II. ALTERNATIVES:**

- A. Authorize the execution of documents with the Louisville Affordable Housing Trust Fund; the allocation of 60 Project-Based Vouchers; and the commitment of Section 8 HUD-held reserves to the development of the Iroquois Senior Living Community.
- B. Do not authorize the execution of documents with the Louisville Affordable Housing Trust Fund; the allocation of 60 Project-Based Vouchers; and the commitment of Section 8 HUD-held reserves to the development of the Iroquois Senior Living Community.

**III. RECOMMENDATION:**

Staff recommends Alternative "A".

**IV. JUSTIFICATION:**

- Will forward the Housing Authority's mission by creating 60 units of deeply affordable housing within LMHA's jurisdiction.
- Will further LMHA's commitment to providing one-for-one unit replacement of demolished Iroquois Homes public housing units.

**V. BUDGET APPROVAL:**

Funded with Project-Based Vouchers and Section 8 HUD-Held Reserves.

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Aaron Dean, Director of Finance

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Date

Submitted by: Sarah Galloway, Special Assistant to the Executive Director  
October 18, 2022