



TO: Board of Commissioners

FROM: Lisa Osanka, Executive Director

SUBJECT: EXECUTIVE DIRECTOR’S REPORT UNDER MOVING TO WORK (MTW) FOR FY 2023

DATE: December 20, 2022

The Executive Director’s monthly report contains information and statistics for the previous month’s activities as reported by staff and current information from the Executive Director. Underlined/italicized portions show changes from last month.

GOALS	NOVEMBER ACTIVITIES & DECEMBER UPDATES
<p><b>GOAL 1</b> <b>Implement capital plan</b></p>	<p><b>Capital Projects:</b> The following projects are under contract:</p> <ul style="list-style-type: none"> <li>▪ East Pages Lane Siding Replacement</li> <li>▪ 1131 S. 6<sup>th</sup> Street Renovations and Roof Replacement</li> <li>▪ Whipps Mill Siding Replacement</li> <li>▪ Fegenbush and Norbrook Siding Replacement</li> </ul> <p><b>Upcoming Projects:</b></p> <ul style="list-style-type: none"> <li>▪ Lourdes Hall Renovations &amp; Maintenance Shop Addition</li> <li>▪ Will E. Seay Plaza Exterior Renovations</li> <li>▪ Temple Spears Renovations – On Hold</li> <li>▪ Scattered Sites Bathroom Renovations/ <u><i>Noltemeyer Site – Bid Review Phase</i></u></li> <li>▪ Avenue Plaza Generator Replacement – <u><i>Bid Review Phase</i></u></li> <li>▪ Dosker Manor Fire Panel Upgrades – <u><i>Waiting for HUD Approval</i></u></li> <li>▪ St. Catherine and Avenue Plaza Fire Panel Upgrades-Bid Phase</li> <li>▪ LHS Former Office Conversion to Apartment</li> <li>▪ Holly Park Sitework and Renovations</li> <li>▪ Dosker Manor Domestic and Sanitary Riser Replacement</li> <li>▪ Avenue Plaza Domestic and Sanitary Riser Replacement</li> <li>▪ 550 Domestic and Sanitary Riser Replacement</li> </ul>

<p><b>GOAL 1</b>  <b>Implement capital plan (cont'd)</b></p>	<ul style="list-style-type: none"> <li>▪ Bathroom Renovations at Fegenbush and Newburg</li> <li>▪ St. Catherine Painting – Common Areas</li> <li>▪ Broadway Firehouse Repairs</li> <li>▪ Parkway Place Roof Replacement – Phase II – <u>Bid Review Phase</u></li> <li>▪ Baxter Community Center – <u>As of 12/5/22, Waiting for HUD Approval</u></li> </ul>
<p><b>GOAL 2</b>  <b>Create new housing stock</b></p>	<ul style="list-style-type: none"> <li>▪ LMHA staff continues to work with the Executive Director on acquisitions for additional housing. Efforts to “scatter” new units throughout the Metro area have been particularly successful. The Newbridge Place Property with 27 PBV units to be counted towards Beecher Terrace replacement housing closed in June 2019.</li> </ul> <p><b>Iroquois Senior Living Community:</b></p> <ul style="list-style-type: none"> <li>▪ LMHA plans to develop 60 units on an approximately 3.8-acre portion of the site formerly occupied by the Iroquois Homes, furthering the Authority’s commitment to providing one-for-one replacement of these demolished units.</li> </ul> <p>The development will serve residents aged 55-plus and households that are very-low income (13 units) and extremely low-income (47 units).</p> <p>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.</p> <p>On October 3, 2022, LMHA received notice from the Louisville Affordable Housing Trust Fund that it was awarded an \$11,750,000 grant in the form of a forgivable construction/permanent project loan toward the site’s development.</p> <p><b>Beecher Terrace Demolition and New Construction:</b></p> <ul style="list-style-type: none"> <li>▪ Phase 2 construction Notice to Proceed was issued on July 30, 2019. Construction is scheduled for completion in early 2021. Substantial completion was achieved in February 2021.</li> <li>▪ Phase 3 construction contract documents were bid on November 6, 2019; bid opening occurred on December 19, 2019. Closing occurred on August 31, 2020. Work began</li> </ul>

**GOAL 2**  
**Create new housing stock**  
**(cont'd)**

in September 2020. Completion is scheduled for late Summer 2022.

LMHA is reviewing multiple sites as Project Based Voucher (PBV) replacement housing for Beecher Terrace.

**Sheppard Square Home Ownership New Construction:**

- A Request For Qualifications (RFQ) for a homeownership developer was issued on June 4, 2015, and one proposal was received on July 8, 2015. The one respondent withdrew their proposal. LMHA has prepared 23 individual lots for private development. Lots will be sold to individuals/builders that are ready to construct. A LOI was issued on February 8, 2017, to secure builders.
- An updated Letter of Intent (LOI) was issued to reflect current information regarding Homeownership opportunities. The developer with proven success at Sheppard Square is Habitat for Humanity.

Of the 23 available lots, 7 are reserved for future development and 16 have been obligated to Habitat for Humanity. Habitat has closed on 5 of the 16 homes, selling them to the resident buyer. One home will sell to the end buyer in the next few months while 3 homes have been matched to buyers. Seven homes remain available to the next Habitat homeownership graduating class of 2023.

River City Housing (RCH) has opted for its designated lot and buyer to be developed and managed by Habitat. The RCH lot has been counted in the Habitat lots in the above paragraph.

**Friary:**

- A proposal to redevelop the Friary was received from the Marian Group and approved by the LMHA Board of Commissioners on April 21, 2015. The Marian Group proposal has been approved by the local HUD office and also by the HUD-Strategic Applications Center (SAC) for the Friary disposition approval. A revised proposal that included the updated construction/rehab costs was received on November 15, 2017 and was submitted to the LMHA Board of Commissioners for approval on December 12, 2017. LMHA provided a commitment letter to the Marian Group for this project, subject to the HUD approval conditions. Marian Group has received the requested FY

**GOAL 2**  
**Create new housing stock**  
**(cont'd)**

2017 tax credits for the Friary project and has met with LMHA staff to determine the next steps to commence the rehabilitation project. The LMHA Staff and the Marian Group submitted the Development Proposal to HUD-DC on November 16, 2018. The HUD-DC Development Proposal and Mixed Finance Evidentiary documents were approved. The transaction closed in February 2019. Monthly site meetings occurred until the project was completed. Project completion was delayed due to the Kentucky State Historical Preservation Office only recently approving the replacement windows. Project completion occurred on July 28, 2020.

**Liberty Green Development:**

- The proposed Liberty Green Second Amended and Restated Development Agreement extension language has been drafted by the Stites & Harrison attorneys as directed by the LMHA Board and forwarded to Weyland Ventures (WV) for their review and signature. The Agreement extension was executed by LMHA and WV February 12, 2021.

The Agreement extension continues to focus on the build-out of the Liberty Green footprint which includes affordable housing project (30-60% Area Median Income-AMI) consisting of 58 housing units; and also includes a future commitment to develop another 57 affordable housing units structured for residents at 80% AMI.

- The Louisville Chemical Building has been purchased by City Properties/Bill Weyland (which is now Weyland Ventures, WV). The building is being converted to a Micro-Boutique Hotel with 16 rooms. It will be called Hancock House and was completed in 2020. The Sea Food Lady is open on the first floor of the building.

WV has developed 268 units plus the 100-unit extended stay hotel which opened in November 2017. They plan to add at least another 250 units to the area. WV, LLC and hotel partner First Hospitality have officially broken ground on a six-story Tempo by Hilton Hotel and a 288-car parking garage at 710 E. Jefferson St. that should be ready in Fall 2023. The Tempo will house 130 rooms and a rooftop venue, among other amenities. WV, LLC will also be building a 189-unit apartment building and a mixed-use building in the same block. The apartment building construction will start before the end of the year and

<p><b>GOAL 2</b>  <b>Create new housing stock (cont'd)</b></p>	<p>complete in 2024.</p> <p>WV is currently developing plans to build out additional homeownership and rental units along Hancock, Marshall, and Ballard Streets and is seeking funding, in partnership with Family Scholar House, to build a 60-unit Family Scholar House campus at Ballard and Shelby.</p> <p><b>Section 8:</b>  The number of applicants on the waiting list on <u>December 1, 2022</u>, was <u>5,033</u>. <u>Due to the major software conversion the remainder of the report is not readily available. We intend to have it by the next monthly Board report.</u></p>
<p><b>GOAL 3</b>  <b>Develop and implement management improvements</b></p>	<p><b>Moving to Work:</b></p> <ul style="list-style-type: none"> <li>▪ LMHA submitted the FY 2022 MTW Annual Report to HUD on September 28, 2022. There is no specific timetable for HUD review and acceptance of the Report.</li> </ul>
<p><b>GOAL 4</b>  <b>Expand resident programs at economic empowerment, community building and crime prevention</b></p>	<p><b>Section 3:</b></p> <ul style="list-style-type: none"> <li>▪ See attached report as it was received from MBS.</li> <li>▪ <u>LMHA attended the LDG Community Open House for the Eclipse in Russell to help promote the development of affordable housing and meet new contractors.</u></li> <li>▪ <u>LMHA certified an additional MBE contractor in November</u></li> </ul> <p><b>Employment – Personnel:</b></p> <ul style="list-style-type: none"> <li>▪ Number of section 3 eligible new hires during the month of <u>November</u> – <u>3</u></li> </ul> <p>Number of section 3 eligible new hires to date, 2022 – <u>19</u></p> <p><b>Special Programs:</b></p> <ul style="list-style-type: none"> <li>▪ LMHA currently has 406 homeowners who have purchased with the homeownership program (132) of which were in the FSS program). There has been 1 default and <u>81</u> homebuyers have left the program successfully (8 had a reduction in income and returned to our program). Currently <u>72</u> potential homebuyers are in the process or in the pipeline applying for this program. Participants continue to buy homes in nearly all areas of Louisville Metro except council district 16.</li> <li>▪ The Special Program staff held no (0) FSS (Family Self-</li> </ul>

**GOAL 4**

**Expand resident programs at economic empowerment, community building and crime prevention (cont'd)**

Sufficiency) recruitment orientations in November via Zoom. No (0) residents attended, and none (0) enrolled in the FSS program. While staff normally holds monthly orientations to encourage resident participation, orientations are currently on hold until a new FSS Action Plan is approved by HUD. The Department also publishes a monthly FSS newsletter for active participants, keeping them up to date on the FSS program activity.

**Family Self-Sufficiency Program Agency-Wide:**

- Totals as of 11/30/2022  
Signed contracts of participation:  
Public Housing—38  
Section 8—161  
# employed\*:  
Public Housing – 30 or 78%  
Section 8 –113 or 56%  
\*work 20 hrs. minimum  
PH escrow accounts: 36 (\$203,510.18)  
Section 8 escrow accounts: 136 (\$385,217.07)
  
- LMHA was awarded ConnectHomeUSA cohort status in August 2017. The goal of this program is to connect 35% of HUD-assisted housing residents to low-cost Internet service. To help achieve this goal, LMHA's ConnectHomeUSA staff offers low-cost internet sign-ups at all public housing sites. As of November, 2022 a total of 869 laptops and desktop computers have been distributed to public housing residents, including 200 BT residents. LMHA is working with Urban Strategies to continue distribution of computers to former BT residents. LMHA ConnectHomeUSA staff continually look to acquire donated computers to be reimaged with Google or Linux Mint Operating System. Computer use, and Digital skills training is offered at a computer center in Parkway Place. There were no sign-ins in (November) to provide HUD-assisted housing residents with an opportunity to learn basic computer functions, etc. In November, one (1) resident received computer training. Computer training and computer lab hours are on hold during the COVID-19 crisis.

**LMHA IDA Program:**

- A total of ten (10) LMHA families are enrolled in IDA. No (0) new accounts were opened and one (1) account was closed for failure to save and there were three (3) withdraws toward a home purchase.

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**Expand resident programs at economic empowerment, community building and crime prevention (cont'd)**

**Parkway Works:**

- LMHA created a resident services program to address the needs of the residents at Parkway Place. Parkway Works is designed to connect residents to various supportive services through case management provided by an onsite Social Worker. The Social Worker works closely with the residents to identify job training and educational opportunities, to secure employment, and to obtain any other goals the families identify as they move towards being self-sufficient. In November, fifteen (15) residents received services.

During November, fifteen (15), needs assessments were completed (to-date 297 completed). No (0) families transferred to LMHA's FSS Program (to-date 32 families transferred). No (0) families transferred to Scattered Sites or Section 8. No (0) Parkway residents obtained employment in November and no (0) Parkway residents were enrolled in the AT&T Access Program or Spectrum low-cost Internet programs; 115 to date. No (0) residents were contacted for COVID-related assistance. Eleven (11) referrals were made to various resources and employers: AT&T, TARC, JCPS, YMCA, LMHA's FSS program and area employers.

**Choice Neighborhoods Initiative (CNI)****CNI IMPLEMENTATION AND SUPPLEMENTAL FUNDING GRANTS:**

- \$29.575M awarded to LMHA/LMG on December 12, 2016 and leveraged with over \$205M in additional funding sources. All Implementation grant funds must be expended by September 30, 2023.
- \$4M awarded to LMHA on December 23, 2019 to help cover increased costs related to the construction of Beecher Terrace replacement units. All Supplemental grant funds must be expended by September 30, 2025.

**People Component, Urban Strategies, Inc. (USI):**

- USI is leading the People Plan component of the Choice grant, including working with our extensive supportive service provider network to ensure that leverage commitments and the CNI grant funds are used to best

#### GOAL 4

Expand resident programs at economic empowerment, community building and crime prevention (cont'd)

support the needs of BT residents. See USI monthly report for progress on their grant goals.

#### Reoccupancy and Wait List:

- Original Beecher Terrace residents have a lifetime preference for BT replacement units. A waitlist of Original BT residents who have submitted pre-application for replacement units was established in May 2020. Staff continues to conduct outreach with Original BT residents as new units become available and add any Original BT resident to the waitlist who submits a pre-application. When units become available, they are offered to households in waitlist position. Households remain on the waitlist position for life, even if they turn down a unit.

As of November 29, 2022, 308 Original Beecher Terrace Households, with 599 household members, are on the waitlist. Of these 308 original BT households, 124 have occupied an on-or off-site replacement unit some time since lease-up of the first replacement locations became available. 104 are currently living in BT replacement units. All but 4 households that have submitted their pre-applications have received offers for units but chose to remain in their current housing or are working with property managers to lease-up.

- **Offsite:** – A total of sixteen (16) original Beecher Terrace households reside at off-site replacement units at Newbridge Place Apartments, Roosevelt Apartments and Opportunity East.

#### Status of replacement housing developments under construction:

- Donerail - all but one building is under HAP and leasing.
- New Vision III and Zion Senior Housing II – Offer letters have been mailed to Beecher households on the waiting list. Leasing is expected in January.
- Crossings at Mill Creek – expected to begin leasing in February 2023. Will start pre-leasing activities soon.
- Lower Hunter's Trace – expected to begin leasing in May 2023.
- Eclipse in Russell – closed October 31<sup>st</sup>. Construction start is imminent.



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Expand resident programs at economic empowerment, community building and crime prevention (cont'd)

#### Status of developments nearing construction start

- Roosevelt – property approved for a 9% LIHTC award. Part 58 in process. Closing TBD.
- Gateway on Broadway – Received \$4M ARP funding award. Closing anticipated for late December 2022.
- **Onsite:** – As of October 26, 2022, Phase I, the 450 Roy Wilkins Building is 99% leased (116 of 117 units), including 25 units to original Beecher Terrace households. Phase II is 93% leased (100 of 108 units), including 40 PBVs, 4 affordable LIHTCs and 1 Market Rate unit to original Beecher Terrace residents. 74 of the 104 units (71%) that are currently available in Phase III are leased, including 29 to original Beecher Terrace households. An additional 112 units are pre-leased, but not yet occupied. All 185 Phase III units are anticipated to be available by late-Fall 2022.
- Staff continues to reach out to original Beecher Terrace households to make offers for vacant on-site and off-site units and provide updated information about these sites on the Vision Russell website.

See Smartsheet report at:

<https://app.smartsheet.com/b/publish?EQBCT=34bf66aeed314c669be1c2125484cb0a> for additional updates on off-site housing production.

#### **Other On-site Beecher Terrace Activities:**

- **Mitigation Activities:**  
Progress continues on the mitigation activities outlined within the Programmatic Agreement and Letter of Resolution (LOR) that were developed with Consulting Parties for the first development stage at BT. A quarterly Consulting Parties meeting was held December 1, 2022. Presentations and notes from consulting meetings are available at [www.visionrussell.org](http://www.visionrussell.org).
- **Funding:**  
The fifth and final CDBG grant from Louisville Metro Government was executed on 9/27/2021. Funds in the amount of \$3.125M will be used for roadway and utility infrastructure design and construction in support of utility main upgrades and new service connections for Phase IV

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**Expand resident programs at economic empowerment, community building and crime prevention (cont'd)**

of the development.

The fourth and final phase of on-site housing is targeted to close by April 2023. The development team submitted a request to HUD to change the 40 Market Rate units in Phase IV to 61% to 80% AMI/LIHTC units. The team anticipates receiving a response in December 2022.

#### **Park at 13<sup>th</sup> and Muhammad Ali and Baxter Community Center:**

- An Intergovernmental Agreement (IGA) between LMHA and LMG to implement, operate, and maintain these two Beecher Terrace recreational amenities was executed on November 17, 2022. LMG issued an RFP for a civil engineering/landscape design firm for their annual contract, and a contract was awarded to Element Designs, PLLC in November 2022. Metro Parks met with the firm on December 6<sup>th</sup> to discuss next steps.

LMHA staff submitted an application for potential funding from the NFL in partnership with LISC Louisville for the playing field at the park on May 31, 2022. Award announcements are expected anytime.

- Four proposals were received in response to a second Invitation for Bids for the Baxter Community Center that was released on October 12<sup>th</sup>. Staff presented a recommendation for contract award, which was approved by the Board at its November 15<sup>th</sup> meeting. Work is anticipated to begin in early 2023.

Additional information on Beecher Terrace amenities can be found at <https://visionrussell.org/recreational-amenities/>.

#### **Critical Community Improvement Projects:**

- HUD allows for a portion of the Choice Neighborhoods Implementation grant to be used towards Critical Community Improvement (CCI) projects within the target neighborhood. A total of \$2,495,750 of our CNI grant has been allocated to the following Russell-based projects, along with \$2,050,000 from LMG and \$7,034,073 from other partners, including \$230,000 from LMHA.

#### **Historic Quinn Chapel (Underway):**

#### GOAL 4

Expand resident programs at economic empowerment, community building and crime prevention (cont'd)

- \$300,000 in CCI funds, along with grants from the National Park Service and National Trust for Historic Preservation, are being used to stabilize the historic Quinn Chapel, owned by the YMCA. Buckeye Construction and Restoration has completed the first phase of stabilization work. Phase II work, which began in October and will continue through the end of the year, will stabilize the rear of the building and utilize the remaining CCI funds. Additional NPS funds will be used towards a third phase of stabilization work.

#### **18th Street Corridor CCI Project (Planning):**

- CCI funds in the amount of \$1,236,250 will be used to implement block-by-block improvements along the 18<sup>th</sup> Street Corridor and nearby blocks, including rental rehab, acquisition, commercial rehab and streetscape improvements. LMG is the project lead for these initiatives.

LMG's Louisville Forward team is working with OneWest at 1731 W. Broadway and 526 S. 18<sup>th</sup> Street. LMG is also making streetscape improvements along 18<sup>th</sup> Street between Muhammad Ali Blvd. and Madison Street as part of this CCI project. LMG will be moving forward with this project using concrete and landscape contractors currently under annual contract. Work is anticipated to begin in early 2023.

- As of November 30, 2022, LMG reports 14 rental rehab projects under review, 5 under construction and 2 that have been completed.

#### **The Village @ West Jefferson (Complete):**

- Molo Village CDC is currently in discussions with two potential restaurateurs to move into the space formerly occupied by the Drippin' Crab, which closed permanently in November. Norton Healthcare's Institute for Health Equity is moving forward with their expansion plans into the suite formerly occupied by LMHA's Choice Neighborhoods offices. Blak Koffee opened a kiosk in the lobby of the Village @ West Jefferson during the first week of November, and anticipates opening their full service coffee shop in early 2023.

#### **LCCC Business Plaza (Complete):**

<p><b>GOAL 4</b>  <b>Expand resident programs at economic empowerment, community building and crime prevention (cont'd)</b></p>	<ul style="list-style-type: none"> <li>▪ <u>Thirteen</u> of the fourteen retail and office spaces in the Louisville Central Community Center's (LCCC) Business Plaza within their Old Walnut Street campus are currently leased, <u>including two to Kentucky State University</u>.</li> </ul> <p><b>Smart City Framework (Planning):</b></p> <ul style="list-style-type: none"> <li>▪ CCI funds in the amount of \$400,000 were used to install infrastructure for free neighborhood Wi-Fi for residents of the Russell neighborhood. This project was led by LMG Department of Information Technology and is now complete. Twenty-four (24) Wi-Fi hotspots are operational within the neighborhood. LMHA staff is working with LMG to obtain usage data and the vendor invoicing required to closeout this project.</li> </ul>
<p><b>GOAL 5</b>  <b>Identify area for possible expansion</b></p>	<p><b>Additional Prospects:</b></p> <ul style="list-style-type: none"> <li>▪ LMHA continues to find new purchase opportunities. These would be off-site replacement units.</li> </ul>
<p><b>GOAL 6</b>  <b>Housing for the elderly</b></p>	<ul style="list-style-type: none"> <li>▪ The Property Mgmt. Dept. makes every effort to maintain a high occupancy rate at all of the developments. The overall occupancy rate for all LMHA units is at <u>93%</u>.</li> </ul> <p>The special leasing incentives continue at Dosker Manor. There has been a vast improvement with the quality and level of security at the high-rises. Incident reports and crime appear to be reduced. The occupancy rate at the elderly high-rise developments is at <u>96%</u>.</p>
<p><b>GOAL 7</b>  <b>Adopting "green" concepts and initiatives – alternative fuel sources</b></p>	<ul style="list-style-type: none"> <li>▪ Recycling stations are being planned at the United Building as part of the relocation of the Vine Street Office.</li> <li>▪ The Beecher Terrace Redevelopment Team continues to work on completing the forms and obtaining the necessary supporting documents needed for submitting the Leadership in Energy and Environmental Design (LEED) for the Neighborhood Development (ND) application to US Green Building Counsel (USGBC).</li> </ul>