

RESOLUTION NO. _____

AUTHORIZATION TO SUBMIT 768 BARRET AVE TO THE HOUSING & URBAN DEVELOPMENT SPECIAL APPLICATIONS CENTER (HUD SAC) FOR DISPOSITION APPROVAL

Item No. 5B

WHEREAS, the Louisville Metro Housing Authority (LMHA) is seeking authorization to submit property located at 768 Barret Ave, also known as 801 Vine Street, to the Housing & Urban Development Special Applications Center (HUD SAC) for disposition approval; and

WHEREAS, the above listed property is the former location of the LMHA Housing Choice Voucher (HCV) Office, a non-dwelling office space. The HCV Office was relocated in 2019 due to the poor condition of the structure. The building remains vacant pending disposition; and

WHEREAS, this disposition would permit LMHA to sell the property to allow for redevelopment of the former Urban Government property, a 9.784-acre complex that includes 801 Vine St/768 Barret Avenue as well as properties owned by Louisville Metro Government (LMG). The redevelopment plans include mixed-income housing and several commercial and community uses; and

WHEREAS, LMG's procurement will require that the developer pay the Fair Market Value of LMHA's property, which is estimated at \$1,666,500. In the event that LMG is not able to finalize a procurement with a development partner, LMG plans to pay fair market value for the property.

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 submit to HUD SAC for disposition approval of 801 Vine St/768 Barret Avenue.

RESOLUTION BACKGROUND STATEMENT

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I. STATEMENT OF FACTS:

801 Vine Street/768 Barret Avenue is a 2.46-acre parcel containing a single building initially built in 1940, consisting of over 57,000 square feet of space. Much of the space was constructed as dormitory style housing but was most recently utilized as office space by LMHA's HCV Program, Louisville Metro Police and Louisville Metro Emergency Services. The structure is currently vacant.

The parcel is located on the east side of Vine Street and the west side of Barret Avenue within the Urban Service District. There is a paved parking lot with over 30,000 square feet of parking area to the west and north of the improvements. It is generally accepted that the improvements are at the end of their economic life.

Louisville/Jefferson County Metro Government (LMG) issued a Request for Proposal (RFP) for the innovative and sustainable development of the former Urban Government Center. The RFP included LMHA's 801 Vine Street/768 Barret Avenue parcel. LMG is currently working with Paristown Preservation Trust to develop the site.

Both LMG and LMHA hired appraisers to value the site. The Fair Market Value has been determined by averaging LMHA's appraisal, \$1,980,000, and LMG's appraisal, \$1,353,000, to arrive at the \$1,666,500 Fair Market Value.

II. ALTERNATIVES:

- A. Authorize disposition submittal to HUD SAC.
- B. Do not authorize disposition submittal to HUD SAC.

III. RECOMMENDATION:

Staff recommends Alternative "A"

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IV. JUSTIFICATION:

- LMHA will receive Fair Market Value for an unused parcel consisting of improvements that are obsolete and/or at the end of their economic life.
- The redeveloped site is expected to include affordable housing and approved commercial opportunities.
- LMHA will no longer need to maintain the disposed property.
- The sales proceeds will be available to support affordable housing opportunities.
- LMHA will not have to maintain the disposed property.

Prepared by:

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Submitted by:

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