



TO: Board of Commissioners

FROM: Lisa Osanka, Executive Director

SUBJECT: EXECUTIVE DIRECTOR’S REPORT UNDER MOVING TO WORK (MTW) FOR FY 2022

DATE: May 17, 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	APRIL ACTIVITIES & MAY UPDATES
<p>GOAL 1 Implement capital plan</p>	<p>Capital Projects: The following projects are under contract:</p> <ul style="list-style-type: none"> ▪ Parkway Place Roof Replacement - Phase I and II (35 buildings) - Closing ▪ Dosker Manor Bldg. B – Emergency Electrical Repairs ▪ Foundation Repairs at 8018 Third Street Road ▪ 2754 Montana Avenue Renovations ▪ Noltemeyer Siding and Gutter Repairs ▪ East Pages Lane Siding Replacement ▪ 1131 S. 6th Street Renovations and Roof Replacement <p>Upcoming Projects:</p> <ul style="list-style-type: none"> ▪ Lourdes Hall Renovations & Maintenance Shop Addition ▪ Will E. Seay Plaza Exterior Renovations ▪ Temple Spears Renovations – On Hold ▪ Scattered Sites Bathroom Renovations – <i><u>Bid Phase</u></i> ▪ Avenue Plaza Generator Replacement ▪ Dosker Manor Nurse Call System and Fire Panel Upgrades – <i><u>Bid Phase</u></i> ▪ St. Catherine and Avenue Plaza Fire Panel Upgrades ▪ LHS Former Office Conversion to Apartment ▪ Holly Park Sitework and Renovations ▪ Dosker Manor Domestic and Sanitary Riser Replacement ▪ Avenue Plaza Domestic and Sanitary Riser Replacement ▪ 550 Domestic and Sanitary Riser Replacement

<p>GOAL 1 Implement capital plan (cont'd)</p>	<ul style="list-style-type: none"> ▪ Bathroom Renovations at Fegenbush and Newburg ▪ St. Catherine Painting – Common Areas ▪ Broadway Firehouse Repairs ▪ Whipps Mill Siding Replacement – <u>Re-Bid Phase</u> ▪ Fegenbush and Norbrook Siding Replacement – Bidding Phase ▪ Parkway Place Roof Replacement – Phase III and IV (rest of the sites) – Rebidding
<p>GOAL 2 Create new housing stock</p>	<ul style="list-style-type: none"> ▪ 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. <p>Beecher Terrace Demolition and New Construction</p> <ul style="list-style-type: none"> ▪ 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. ▪ 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 in September 2020. Completion is scheduled for Spring 2022. <p>LMHA is reviewing multiple sites as Project Based Voucher (PBV) replacement housing for Beecher Terrace.</p> <p>Sheppard Square Home Ownership New Construction</p> <ul style="list-style-type: none"> ▪ 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) has been issued to reflect current information regarding Homeownership opportunities and new Point of Contact. <p>LMHA is accepting applications from potential homeowners. Two applications for Lots 16 and 30 are pending approval. Habitat has been approved to build 2 homes and</p>

GOAL 2
Create new housing stock
(cont'd)

permit applications have been submitted. Habitat has completed construction of lot #22 (755 John Little St.) and Lot 23 (757 John Little St). Lot 28 (757 John Little St.) is in construction and Lots 16, 29 and 30 are in the startup process.

A viable financing plan has been submitted to LMHA. Staff will continue to validate the source funding for the plan. A resolution to enter into a contract with River City Housing is being submitted to the Board. The contract will only be executed when all sources are firmly committed.

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 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-

GOAL 2
Create new housing stock
(cont'd)

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 at 710 E. Jefferson St. that should be ready in 2021. Hilton Officials confirmed that it will be the first Tempo hotel to open in the world and will house 130 rooms and a rooftop bar, among other amenities. WV, LLC will also be building a 178-unit apartment building and a mixed-use building in the same block.

WV is currently developing plans to build 10 homeownership units on Marshall Street and 4 homeownership units on Hancock Street.

Section 8

- The number of units under lease on May 1, 2022, was *11,041 which was an increase from the 10,988 under lease April 1, 2022. The number of applicants on the waiting list on May 1, 2022, decreased to 3,323 from the 3,447 on the list April 1, 2022.

*Moving to Work (MTW)	<u>10,234</u>
*Veterans Affairs Supportive Housing (VASH)	<u>376</u>
*Family Unifications Program (FUP) old	<u>104</u>
*Family Unifications Program (FUP) new	<u>21</u>
*Mainstream	176
*Emergency Housing Vouchers (EHV)	130
Total:	<u>11,041</u>

<p>GOAL 3 Develop and implement management improvements</p>	<p>Moving to Work</p> <ul style="list-style-type: none"> ▪ <u>LMHA FY 2023 MTW Annual Plan was submitted to HUD on April 22, 2022, following approval by the LMHA Board of Commissioners. HUD’s review is expected to be completed within approximately 75 days of the submission date.</u> ▪ <u>HUD approved Amendment #2 to the FY 2022 MTW Annual Plan on April 28, 2022.</u> ▪ LMHA’s FY 2020 MTW Annual Report was submitted to HUD on September 25, 2020. There is no specific timetable for HUD review and acceptance of the Report. ▪ LMHA’s FY 2021 MTW Annual Report was submitted to HUD on September 23, 2021. There is no specific timetable for HUD review and acceptance of the Report.
<p>GOAL 4 Expand resident programs at economic empowerment, community building and crime prevention</p>	<p>Section 3</p> <ul style="list-style-type: none"> ▪ See attached report as it was received from MBS. ▪ <u>LMHA approved three (3) new certifications for MWDBE contractors.</u> ▪ <u>There are 17 companies registered on the HUD web site for Section 3 Business Concerns for the Louisville Metropolitan Area.</u> ▪ <u>LMHA participated in a Section 3 Certification workshop at the Donerail construction site, recruiting new Section 3 Business Concerns, Section 3 Workers and MWDBE vendors.</u> ▪ <u>The new Section 3 Policy is being rewritten to follow the HUD implantation guidance provided this month.</u> <p>Employment - Personnel</p> <ul style="list-style-type: none"> ▪ Number of section 3 eligible new hires during the month of <u>April – 4</u> <p style="padding-left: 40px;">Number of section 3 eligible new hires to date, 2022 – <u>10</u></p> <p>Special Programs</p> <ul style="list-style-type: none"> ▪ LMHA currently has <u>386</u> homeowners who have purchased with the homeownership program (125) of which were in the FSS program). There has been 1 default and <u>77</u> homebuyers have left the program

GOAL 4

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

successfully (7 had a reduction in income and returned to our program). Currently 53 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.

- The Special Program staff held two (2) FSS (Family Self-Sufficiency) recruitment orientations in April via Zoom. Nine (9) residents attended and Seven (7) enrolled in the FSS program. Staff holds monthly orientations to encourage resident participation. 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 4/30/2022
Signed contracts of participation:
Public Housing—45
Section 8—196
employed*:
Public Housing – 30 or 66%
Section 8 – 135 or 68%
*work 20 hrs. minimum
PH escrow accounts: 37 (\$144,808.31)
Section 8 escrow accounts: 128 (\$353,010.22)
- 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 April 2022, a total of 800 laptops and desktop computers have been distributed to public housing residents, including 199 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 (April) to provide HUD-assisted housing residents with an opportunity to learn basic computer functions, etc. In April, three (3) residents received computer training. Computer training and computer lab hours are on hold during the COVID-19 crisis.

GOAL 4

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

LMHA IDA Program

- A total of twelve (12) LMHA families are enrolled in IDA. One (1) new account was opened, with no (0) program completion and one (1) withdraw.

Parkway Works

- Parkway Works update: 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 April, twenty (20) residents received services.

During April, twenty (20), needs assessments were completed (to-date 178 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 April 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. No (0) 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 to provide relocation and supportive services for Beecher Terrace (BT) households including case management; raze and revitalize the BT site and create off-site BT replacement housing units in neighborhoods of opportunity; and make other critical community improvements (CCIs) within the Russell neighborhood. All Implementation grant funds must be expended by September 30, 2023.
- \$4M awarded to LMHA on December 23, 2019, to help

GOAL 4

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

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

Relocation of Original Beecher Terrace Households:

- Original residents were relocated from the Beecher Terrace site in three phases beginning in May 2017. All residents completed their initial moves by October 2019.

Reoccupancy and Wait List:

- Original Beecher Terrace residents have a life-time 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.
- As of 4/14/2022, 298 Original Beecher Terrace households remained on the waiting list.
- **Offsite** – A total of seventeen (17) original Beecher Terrace households reside at off-site replacement units at Newbridge Place Apartments, Roosevelt Apartments, Opportunity East and Donerail Apartments.

Donerail Run held a ribbon cutting celebration on April 27th. The first three buildings are under HAP contracts. Two of these buildings are completely leased up, and the third started leasing mid-April. Four (4) original BT households now reside at the new development, and a fifth is slated to move into the next building that becomes available. When complete, this mixed-income development will feature a total of 288 units, including 164 PBV replacement units.

The closing for the 1405 W. Broadway Senior Apartment development has been delayed to late summer due to

GOAL 4

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

KHC's Board Meeting schedule. When complete, this development will include a total of 116 units (112 one-bedroom and 4 two-bedrooms), all which will be PBV replacement units.

- **Onsite** – As of April 14, 2022, Phase I, The 450 Roy Wilkins Building is currently 96% leased (112 of 117 units), including 22 to original Beecher Terrace households. Phase II is 99% leased (107 of 108 units), including 41 PBV, 10 affordable LIHTC and 1 Market Rate unit to original Beecher Terrace residents. Leasing is complete for the first two buildings of Phase III, which includes 10 units. All nine of the PBV units in those two buildings are leased to original BT residents. Additional buildings are anticipated to be available for occupancy in May, and all 185 Phase III units are anticipated to be complete by June 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=34bf66aee d314c669be1c2125484cb0a> for additional updates on off-site housing production. See the McCormack Baron Salazar's (MBS) monthly report for additional updates on on-site housing production, and progress on MBE/DBE/WBE and Section 3 goals.

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. Presentations and notes from consulting meetings are available at www.visionrussell.org. The next quarterly Consulting Parties meeting is scheduled for June 2, 2022.
- **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

GOAL 4

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

of the development.

On January 13, 2022, MBS and other members of the Choice Management Team received word that our application for 9% LIHTCs from the Kentucky Housing Corporation's (KHC) 2022 Housing Credit competitive round was not funded. A pre-application for 4% bonds was submitted to KHC on February 3rd, and the full application was submitted on May 4th. The full application, which combines units originally planned for Phase IV (141 units) and V (69 units) into one larger phase of 210 units, was submitted on May 4th. LMG has committed \$500K in HOME Funds for Phase IV, and the National Housing Trust Fund has committed \$2.5M. The combined Phase IV is targeted to close in December 2022 and will conclude the on-site rental housing plan. An updated Housing Plan reflecting these changes was approved by HUD in April.

13th and Muhammad Ali Site and Baxter Community Center

- HUD approved the use of Section 8 reserve funds towards the renovation and expansion of the Baxter Community Center and development of a new park on the former Porter Paints site at 13th and Muhammad Ali Boulevard on February 25, 2022. A resolution granting approval to move forward with amenities was approved by LMHA's Board of Commissioners during their April 2022 meeting and a resolution requesting approval to enter into an Intergovernmental Agreement (IGA) with LMG is being presented at the May 2022 Board meeting. The IGA authorizes LMG to provide the services needed to implement, operate, and maintain these two Beecher Terrace recreational amenities, including entering into a contractual agreement with their consultant to develop construction documents for the Park.

Staff submitted a grant application for American Rescue Plan (ARP) funding in January 2022 for these two initiatives. LMHA received word in April that our application was recommended for approval, and a decision from Louisville Metro Council is expected later this May. Staff is also preparing an application for potential funding from the NFL in partnership with LISC Louisville for the play field at the park. The application is due on May 31, 2022.

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

GOAL 4

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

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):

- \$300,000 in CCI funds are being used to stabilize the historic Quinn Chapel, owned by the YMCA. The building was placed on the National Register of Historic Places in July 2020. LMG, which is leading this project, received an initial grant of \$450,000 and an additional \$500,000 grant from the National Park Service (NPS) for stabilization work. Buckeye Construction and Restoration, who completed the Phase I stabilization, will be conducting the Phase II stabilization work, which will utilize the remaining CCI funds and the Phase II NPS grant. NPS has given Notice to Proceed on Phase II, and work is to be completed in 2022. LMG applied for a Phase III NPS grant in December 2021. Notice of award is expected in early Summer 2022. LMG is also partnering with Vital Sites to submit a Letter of Intent to apply for a \$150,000 grant from the National Trust for Historic Preservation's African American Heritage Action Fund. LMG will be working with Russell: Place of Promise in the coming quarter to develop some site activation activities to showcase the Quinn Chapel as a community asset. LMG is currently working with NPS on a graffiti removal plan for the front façade of the building.

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 18th Street Corridor and nearby blocks, including owner-occupied rehab, rental rehab, vacant lot acquisition and rehab for commercial use. LMG is the project lead for these initiatives.

LMG's Louisville Forward team is working with OneWest on the rehab of shotgun houses at 516, 518, and 520 S. 18th Street, and on the stabilization and rehabilitation of two commercial buildings at 1731 W. Broadway and 526 S. 18th Street. Environmental reviews have been completed for the two commercial properties. HUD approved the Request for Release of Funding for the commercial properties in

GOAL 4

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

January 2022. LMG staff will also be making streetscape improvements along 18th Street between Muhammad Ali Blvd. and Madison Street as part of this CCI project. An area-wide environmental review is currently underway for the streetscape improvements project, which is expected to be advertised for bid in Summer 2022.

LMHA and LMG are developing proposals for three additional 18th Street CCI initiatives: (1) Streetscape Improvements between W. Broadway and Esquire Alley, (2) rehab of a commercial building to be used for new office space for REBOUND at 418 S. 18th, and (3) a store that will stock fresh foods at S. 18th & W. Jefferson St. LMG is currently reviewing the proposals, and staff expects to submit proposals to HUD in late May 2022.

In February 2022, LMG staff had investors finalize agreements and set dates to begin work on six rental rehab projects in Russell totaling \$88,555.

The Village @ West Jefferson (Complete):

- Molo Village CDC's 30,000 commercial/retail building across from the Beecher Terrace remains 100% leased.

Forty and One is currently renovating their suite on the first floor of the building to become a full service coffee shop, which is anticipated to open this summer.

LCCC Business Plaza (Complete):

- Approximately 25% of the retail and office space in the Louisville Central Community Center's (LCCC) Business Plaza within their Old Walnut Street campus remains available for lease. Tenants must be neighborhood-serving small businesses and non-profit service providers. There are seven suites available for lease in the LCCC Business Plaza. Current businesses in operation and tenants are: Rhinox Research, IM Construction Cleaning, Phoebe Academy, Eternal Real Estate Services LimitLess LLC, Louisville Extreme Football, Garden Girl Foods, and Kentucky State University. LCCC recently converted one of the suites into a shared community workspace.

Smart City Framework (Planning):

- CCI funds in the amount of \$400,000 are being used to install infrastructure to provide free neighborhood Wi-Fi for residents of the Russell neighborhood. This project is led

<p>GOAL 4 Expand resident programs at economic empowerment, community building and crime prevention (cont'd)</p>	<p>by LMG Department of Information Technology. Approximately 30 Wi-Fi hotspots will be installed in the neighborhood. LMG issued an RFP for the Public Wi-Fi network in April 2020, a vendor was chosen, and hardware installation was completed in January 2021. However, the chosen vendor was unable to complete the final phase of the project causing LMG to terminate the contract due to nonperformance. LMG has chosen a new vendor to complete the project, and work is expected to resume in early Spring 2022. The necessary equipment <u>has arrived, and installation began in late-April 2022. Work is projected to be complete within 90 to 120 days.</u></p> <p>Other Russell Neighborhood Updates</p> <ul style="list-style-type: none"> ▪ <u>Molo is continuing their funding raising efforts</u> for the renovation of the historical St. Peter United Church of Christ at 13th and Jefferson Streets, directly adjacent to The Village @ W. Jefferson building. Construction drawings are in progress for the chapel, a community event space, a commercial kitchen, a community resource library, and other tenant spaces. Construction is anticipated to begin in September 2022. ▪ LMHA and LMG staff met with Russell: A Place of Promise (RPOP), Fifth Third Bank, and Enterprise Community Partners on March 9th to discuss potential strategies for the “Fifth Third Neighborhood Investment Program.” RPOP will be working with Fifth Third Bank to manage \$22 million in investments in Russell over the next three years.
<p>GOAL 5 Identify area for possible expansion</p>	<p>Additional Prospects</p> <ul style="list-style-type: none"> ▪ LMHA continues to find new purchase opportunities. These would be off-site replacement units.
<p>GOAL 6 Housing for the elderly</p>	<ul style="list-style-type: none"> ▪ 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 92%. <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 96%.</p>

GOAL 7

Adopting “green” concepts and initiatives – alternative fuel sources

- Recycling stations are being planned at the United Building as part of the relocation of the Vine Street Office.
- 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).