



TO: Board of Commissioners

FROM: Lisa Osanka, Executive Director

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

DATE: September 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 | AUGUST ACTIVITIES & SEPTEMBER UPDATES |
|--|---|
| <p>GOAL 1 Implement capital plan</p> | <p>Capital Projects: The following projects are under contract:</p> <ul style="list-style-type: none"> ▪ Dosker Manor Bldg. B – Emergency Electrical Repairs - Closing ▪ Foundation Repairs at 8018 Third Street Road - <u>Closing</u> ▪ 2754 Montana Avenue Renovations ▪ East Pages Lane Siding Replacement ▪ 1131 S. 6th Street Renovations and Roof Replacement ▪ Whipps Mill Siding Replacement ▪ <u>Fegenbush and Norbrook Siding Replacement</u> <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 – <u>Re-bidding</u> ▪ Avenue Plaza Generator Replacement ▪ Dosker Manor Fire Panel Upgrades – Re-bidding ▪ St. Catherine and Avenue Plaza Fire Panel Upgrades-Bid Phase ▪ LHS Former Office Conversion to Apartment ▪ Holly Park Sitework and Renovations ▪ Dosker Manor Domestic and Sanitary Riser Replacement |

| | |
|--|--|
| <p>GOAL 1 Implement capital plan (cont'd)</p> | <ul style="list-style-type: none"> ▪ Avenue Plaza Domestic and Sanitary Riser Replacement ▪ 550 Domestic and Sanitary Riser Replacement ▪ Bathroom Renovations at Fegenbush and Newburg ▪ St. Catherine Painting – Common Areas ▪ Broadway Firehouse Repairs ▪ Parkway Place Roof Replacement – Phase III and IV (rest of the sites) – Re-bidding ▪ Baxter Community Center – <u>Re-Bidding</u> |
| <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 late Summer 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. |

GOAL 2
Create new housing stock
(cont'd)

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 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 from River City Housing 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 was 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

GOAL 2
Create new housing stock
(cont'd)

(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 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 September 1, 2022, was *11,112 which was an increase from the 11,048 under lease August 1, 2022. The number of applicants on the waiting list on September 1, 2022, decreased to 2,614 from the 2,700 on the list August 1, 2022.

| | |
|---|---------------|
| *Moving to Work (MTW) | <u>10,320</u> |
| *Veterans Affairs Supportive Housing (VASH) | 363 |
| *Family Unifications Program (FUP) old | 96 |
| *Family Unifications Program (FUP) new | 18 |
| *Mainstream | <u>177</u> |
| *Emergency Housing Vouchers (EHV) | <u>138</u> |

| | |
|---|---|
| GOAL 2 Create new housing stock (cont'd) | <p style="text-align: right;">Total: <u>11,112</u></p> |
| GOAL 3 Develop and implement management improvements | <p>Moving to Work:</p> <ul style="list-style-type: none"> ▪ <u>LMHA is preparing the FY 2022 MTW Annual Report for submission to HUD by end of September.</u> ▪ LMHA is preparing an amendment to the approved FY 2023 MTW Annual Plan in response to HUD’s recent Final Rule on the Family Self-Sufficiency Program. ▪ 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. |
| GOAL 4 Expand resident programs at economic empowerment, community building and crime prevention | <p>Section 3:</p> <ul style="list-style-type: none"> ▪ See attached report as it was received from MBS. ▪ <u>Louisville Metro Government and LMHA are reviewing bid submittals for information concerning Section 3 and MWDBE participation on the 18th Streetscape Project.</u> ▪ <u>Two (2) contractors were certified by LMHA as MWDBE vendors during the month.</u> ▪ <u>HUD Section 3 Business Concern website has added an additional registered vendor for the Louisville Metro area.</u> <p>Employment – Personnel:</p> <ul style="list-style-type: none"> ▪ Number of section 3 eligible new hires during the month of <u>August</u> – 0 <p style="padding-left: 40px;">Number of section 3 eligible new hires to date, 2022 – 11</p> <p>Special Programs:</p> <ul style="list-style-type: none"> ▪ LMHA currently has <u>398</u> homeowners who have purchased with the homeownership program (<u>130</u> of which were in the FSS program). There has been 1 default and 78 homebuyers have left the program successfully (8 had a reduction in income and returned to our program). Currently <u>74</u> potential homebuyers are in the process or in the pipeline applying for this program. |

GOAL 4
Expand resident programs at economic empowerment, community building and crime prevention (cont'd)

Participants continue to buy homes in nearly all areas of Louisville Metro except council district 16.

- The Special Program staff held no (0) FSS (Family Self-Sufficiency) recruitment orientations in August via Zoom. No (0) residents attended and no (0) 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 8/31/2022
Signed contracts of participation:
Public Housing—42
Section 8—178
employed*:
Public Housing – 32 or 76%
Section 8 – 116 or 52%
*work 20 hrs. minimum
PH escrow accounts: 39 (\$190,282.49)
Section 8 escrow accounts: 133 (\$368,801.55)
- 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 August, 2022 a total of 856 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 (August) to provide HUD-assisted housing residents with an opportunity to learn basic computer functions, etc. In August, two (2) residents received computer training. Computer training and computer lab hours are on hold during the COVID-19 crisis.

LMHA IDA Program:

- A total of twelve (12) LMHA families are enrolled in IDA. No (0) new accounts were opened, with no (0) program

GOAL 4

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

completions and one (1) voluntary withdrawal.

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 August, eighteen (18) residents received services.

During August, eighteen (18), needs assessments were completed (to-date 250 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 August 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. Thirteen (13) 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 cover increased costs related to the construction of Beecher Terrace replacement units. All Supplemental grant funds must be expended by September 30, 2025.

GOAL 4

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

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 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.
- As of August 29, 2022, 306 Original Beecher Terrace households are on the waiting list, which include 594 household members. This is an increase of two households since July 2022.
- As of August 29, 2022, 308 Original Beecher Terrace Households, (with 594 household members), are on the waitlist. Original BT residents stay on the waitlist for life, including those already housed in a BT unit (108 of the households currently on the waitlist). When units become available, they are offered to households in waitlist position. Households remain on the waitlist position even if they turn down a unit.
- **Offsite:** – A total of twelve (12) original Beecher Terrace households reside at off-site replacement units at Newbridge Place Apartments, Roosevelt Apartments and Opportunity East.

The first nine (9) buildings at Donerail Run Apartments are under HPA and leasing, including six (6) to original BT residents. When complete, this mixed-income development will feature a total of 288 units, including 164 PBV

GOAL 4

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

replacement units.

The closings for *Gateway on Broadway, a senior apartment development at 1405 W. Broadway and Eclipse in Russell on Magazine Street are expected to close in late Summer 2022. New Vision III, Zion Senior Housing II, Crossings at Mill Creek and Lower Hunters Trace are all expected to begin leasing this Fall.*

- **Onsite:** – As of August 29, 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 99% leased (107 of 108 units), including 43 PBVs, 5 affordable LIHTCs and 1 Market Rate unit to original Beecher Terrace residents. 67 of the 101 units (66%) that are currently available in Phase III are leased, including 25 to original Beecher Terrace households. An additional 110 units are pre-leased, but not yet occupied. All 185 Phase III units are anticipated to be available by the end of September 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. 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. A quarterly Consulting Parties meeting was held September 1, 2022.
- **Funding:**
The fifth and final CDBG grant from Louisville Metro

GOAL 4
Expand resident programs at economic empowerment, community building and crime prevention (cont'd)

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 of the development.

A pre-application for 4% bonds was submitted to KHC on February 3rd, and the full application was submitted on May 4th, which combines units originally planned for Phase IV (141 units) and V (69 units) into one larger phase of 210 units. LMG has committed \$500K in HOME Funds for Phase IV, and the National Housing Trust Fund has committed \$2.5M. This fourth and final phase is still targeted to close between January and March 2023. An updated Housing Plan reflecting these changes was approved by HUD.

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 was approved 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. The start of design work on the park, which is being led by Metro Parks, has been delayed until the IGA is updated to reflect the award of \$6,000,000 in American Rescue Plan (ARP) funds for these amenities.

Staff also 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 September 2022.

- Four proposals were received in response to the Request for Bids for the Baxter Community Center that was released on June 29th. However, due to long delays in the availability of equipment originally specified for the project, construction documents are being revised and a new

GOAL 4

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

Request for Bids will be released in the coming weeks. Staff anticipates bringing a recommendation for contract award to the Board at its November meeting.

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):

- \$300,000 in CCI funds are being used to stabilize the historic Quinn Chapel, owned by the YMCA. LMG, which is leading this project, has received \$450,000 and two \$500,000 grants from the National Park Service (NPS) to be used towards stabilization work. In July 2022, LMG was awarded a \$100,000 grant from the National Trust for Historic Preservation's African American Cultural Heritage Action Fund to repair the building's electrical systems. Buckeye Construction and Restoration has completed the first phase of stabilization work and anticipates completing a second phase by the end of Summer 2022, which will utilize the remaining CCI funds. Additional NPS funds will be used toward 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 18th 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 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. Completion of the shotguns is expected in mid-September 2022. LMG is also making streetscape improvements along 18th Street between Muhammad Ali Blvd. and Madison Street as part of this CCI project. A request for bids for the streetscape improvements was

GOAL 4

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

released on July 21, 2002. All bids received were significantly over budget, and LMG is looking at strategies to reduce costs.

- Staff submitted a proposal to HUD for a second phase of streetscape improvements between W. Broadway and Esquire Alley. HUD approved this request in August, however, in light of the Phase I proposals for streetscape proposals, LMG and LMHA staff will need to revisit the budget for this project before issuing a request for bids. As of August 18, 2022, LMG reports 17 rental rehab projects are in review, 17 are under construction and 11 have been completed.

The Village @ West Jefferson (Complete):

- Molo Village CDC's 30,000 square foot 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 *Blak Koffee* - a full-service coffee shop, which is anticipated to open in Fall 2022.

LCCC Business Plaza (Complete):

- Thirteen 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. Current tenants remain the same.

Smart City Framework (Planning):

- 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.

Other Russell Neighborhood Updates:

- Russell: A Place of Promise hosted "Our Home: Russell Homecoming Weekend" September 15-18, 2022. The event featured music, poetry readings, neighborhood tours, a block party, and a vendor fair.
- On August 29, 2022, The Louisville Urban League opened the PNC Entrepreneur Plaza, a permanent indoor and

| | |
|---|---|
| <p>GOAL 4 Expand resident programs at economic empowerment, community building and crime prevention (cont'd)</p> | <p><u>outdoor pop-up space, at its Norton Healthcare Sports and Learning Complex. The League will use the PNC Entrepreneur Plaza to support Black business owners by providing an area for them to promote their services. The project is being funded through a \$1 million grant from the PNC Foundation to support business and workforce development at the Sports and Learning Complex.</u></p> <ul style="list-style-type: none"> ▪ <u>A documentary film about MOLO Village has won an award from an agency of the United Nations. "It Takes A Village" was honored at the Better Cities Film Festival in Katowice, Poland. The film earned the Hero Award from festival's organizer, the United Nations Human Settlements Program, and was part of their 11th World Urban Forum.</u> |
| <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 <u>92%</u>. <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 95%.</p> |
| <p>GOAL 7 Adopting "green" concepts and initiatives – alternative fuel sources</p> | <ul style="list-style-type: none"> ▪ 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). |