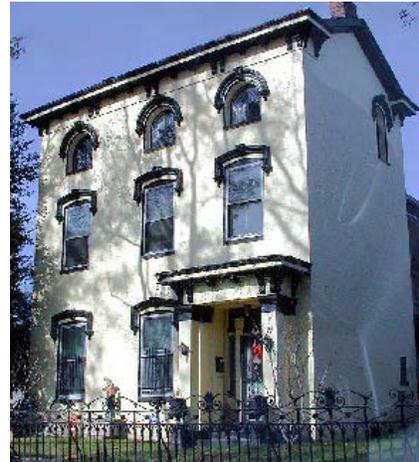


# Neighborhood Revitalization Strategy Area Plan Portland Neighborhood

Prepared by Louisville/Jefferson County Metro Government  
Department of Housing and Family Services  
Adria Johnson, Interim Director



For Submission to the  
U. S. Department of Housing and Urban Development,  
Office of Community Planning and Development

March 4, 2011

Approved by HUD: April 21, 2011

## Introduction

Louisville/Jefferson County Metro Government (Louisville Metro) recognizes the advantages of coordinated and intensive efforts to achieve measurable community revitalization. To accomplish this goal in distressed areas within its Jefferson County, Kentucky jurisdiction, Louisville Metro submits this plan proposing a Neighborhood Revitalization Strategy Area (NRSA) designation for the Portland neighborhood. This proposal is being submitted as an amendment to Louisville Metro's 2010-2014 Consolidated Plan. The Louisville Metro Department of Housing and Family Services is the lead agency in preparing, administering, reporting and monitoring Consolidated Plans, Action Plans, and NRSA designations.

The U.S. Department of Housing and Urban Development (HUD), Office of Community Planning and Development encourages NRSA's for distressed neighborhoods meeting an upper quartile threshold of low-to-moderate income residents, which for Jefferson County is 61.3%. In Portland, 73.7% of residents are low-to-moderate income. Another consideration is that NRSA's should be primarily residential. Currently 60.47% or 10,717 acres out of 17,722 acres total of Portland are zoned residential. Louisville Metro proposes the Portland neighborhood be dedicated as a NRSA for a term expiring June 30, 2014 to implement planned revitalization efforts.

## Benefits of a NRSA

NRSA benefits are described in amendments to the Community Development Block Grant (CDBG) regulations at 24 CFR 570, which were published in the Federal Register on January 5, 1995 and updated in the final rule changes published in the November 9, 1995, Federal Register. They include:

- 1. Job Creation/Retention as Low/Moderate Income Area Benefit:** Job creation / retention activities pursuant to the strategy may be qualified as meeting area benefit requirements, thus eliminating the need for a business to track the incomes of persons that take, or are considered for such jobs (24 CFR 570.208(a)(1)(vii) and (d)(5)(i));
- 2. Aggregation of Housing Units:** Housing units assisted as part of the strategy may be considered part of a single structure for purposes of applying the low/moderate-income national objective criteria, thus providing greater flexibility to carry out housing programs that revitalize a neighborhood (24 CFR 570.208(a)(3) and (d)(5)(ii));
- 3. Aggregate Public Benefit Standard Exemption:** Economic Development activities carried out under the strategy may, at the grantee's option, be exempt from the aggregate public benefit standards, thus increasing a grantee's flexibility for program design as well as reducing its record-keeping requirements (24 CFR 570.209(b)(2)(v)(L) and (M)); and

**4. Public Service Cap Exemption:** Public Services carried out pursuant to the strategy by a Community-Based Development Organization will be exempt from the public service cap (24 CFR 570.204(b)(2)(ii)).

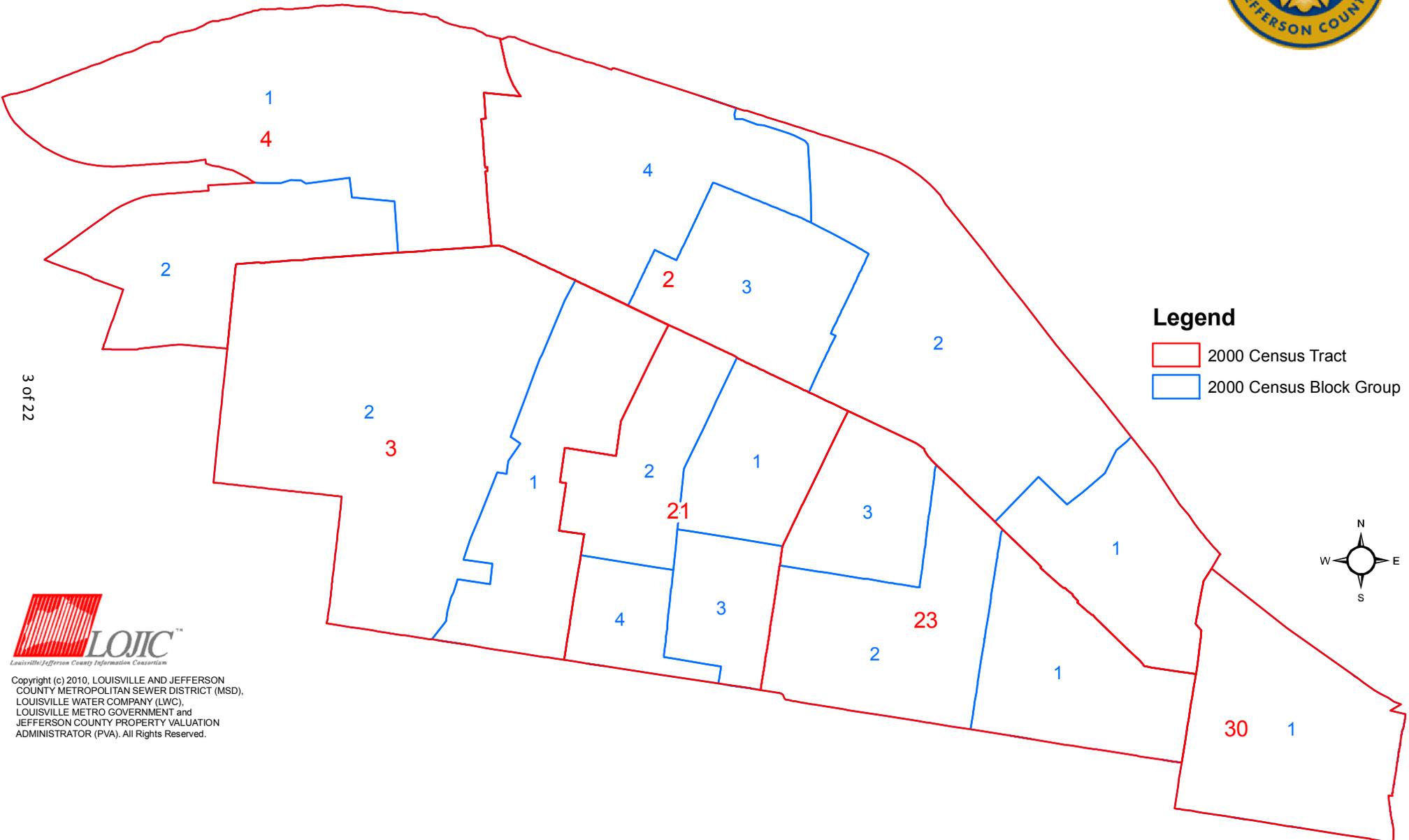
## **1. BOUNDARIES AND HISTORY**

Portland borders the western edge of downtown Louisville and for its designation as an NRSA is defined as Tenth Street to the east, the Ohio River to the north, Market Street to the south, and Interstate 264 and 38<sup>th</sup> Street to the west, until Bank Street, at which point the area extends west to Northwestern Parkway. The complete Census Tracts defining the proposed Portland NRSA include: Tracts 2, 21, and 23. Partial Census Tracts include: Tract 3, Blocks 1 and 2; Tract 4, Blocks 1 and 2, and Tract 30, Block 1.

The Portland neighborhood was originally laid out by surveyor Alexander Ralston in 1811. The first commercial buildings were constructed shortly thereafter and in a few years Portland was flourishing with businesses that took advantage of the area's Ohio River frontage. This proximity to the Ohio River caused industry in Portland to prosper and the high density development still seen today is evidence of this rapid expansion. However, Portland's fortunes were changed with the opening of the Louisville and Portland Canal in 1830. The canal ended the practice of boats unloading and reloading their goods to navigate the Falls of the Ohio. Attempts to bring rail lines into Portland post-canal construction were largely futile resulting in Portland being annexed by the City of Louisville. Portland later briefly regained its independence, and finally rejoined the city permanently in 1852. By 1871, the canal expansion had resulted in the emptying of Portland's wharves and warehouses.

Portland proudly bears signs of its history as a bustling river port city. Smaller plots and shotgun style homes reflect the working class, immigrant roots of the neighborhood while large historic homes remain where prominent residents of the past resided. However, the neighborhood's connection with the river itself was complicated by completion of a floodwall in 1957 and the construction of Interstate 64. Three maps of the Portland area appear on the following pages: one outlining the census tracts and block groups that make up the Portland NRSA, one showing the boundary and major streets of the Portland NRSA, and one showing the current zoning of the Portland NRSA.

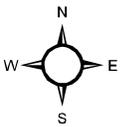
# Portland NRSA Census



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### Legend

-  2000 Census Tract
-  2000 Census Block Group



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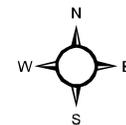
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Karl Keeling  
January 6, 2011  
<portlandnrsacensus>

# Portland NRSA Boundary



### Legend

 Portland NRSA Boundary



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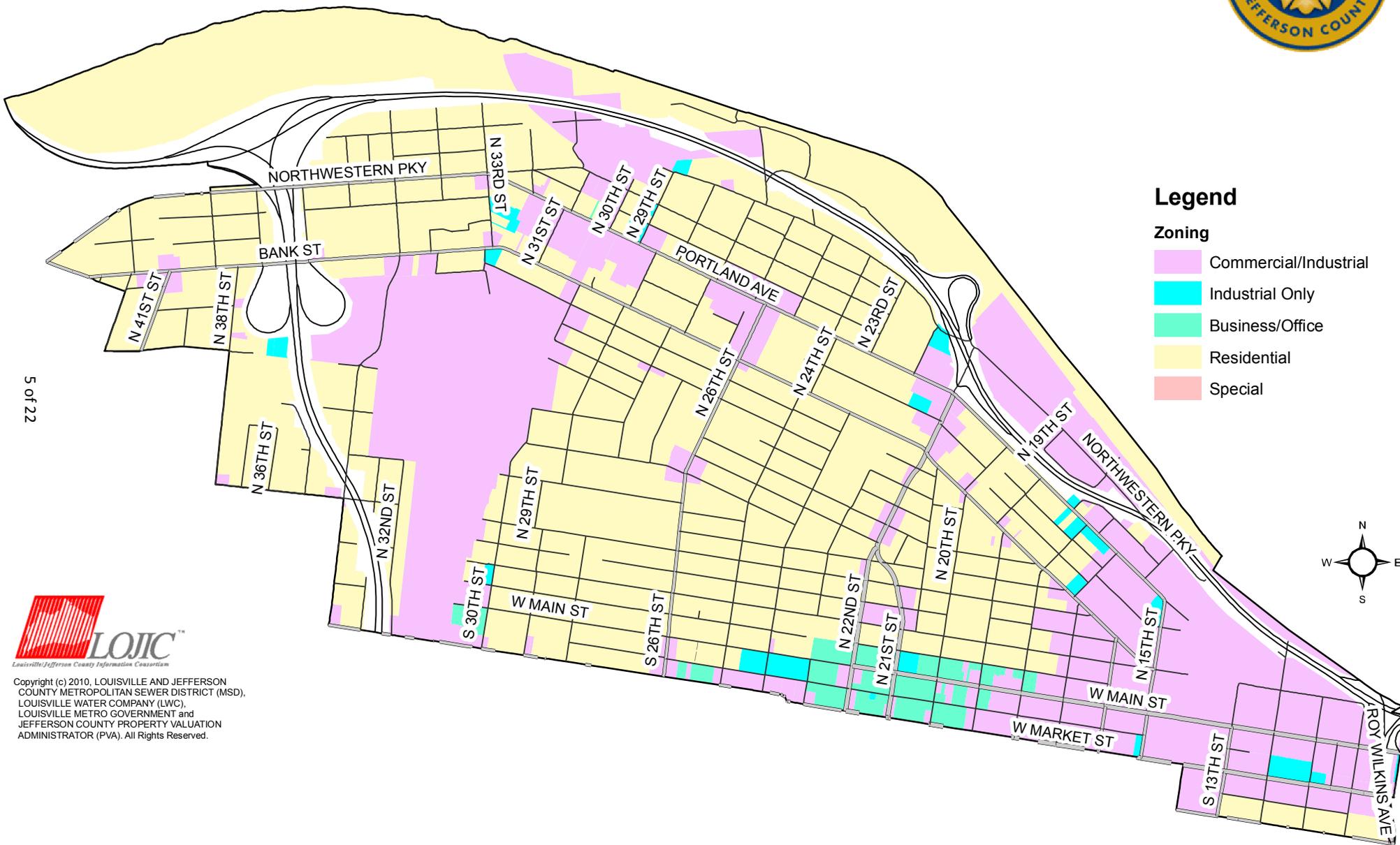


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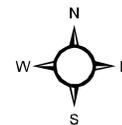


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# Portland NRSA Zoning



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## **2. DEMOGRAPHICS**

Today, Portland is a neighborhood in need of revitalization. Despite its historic and human assets, Portland continues to lag behind much of the rest of the jurisdiction in terms of community and economic development. According to the 2000 Census, Portland is home to 13,521 persons. Based on 2009 data, 73.7% of Portland residents are low-to-moderate income. The number of Portland residents living in poverty is 33.8%, much higher than the Jefferson County average of 12.4%. Nearly one of every two children in Portland lives at or below the poverty level.

Between January 2007 and June 2008, 9.3% of Portland homeowners were in foreclosure, more than twice the county figure of 4.2%. Portland's housing stock, with 62.3% being built before 1939, is significantly older than Jefferson County as a whole where only 15.3% of the housing is of this age.

In 1978, the U.S. Consumer Product Safety Commission lowered the legal maximum lead content in most kinds of paint to a trace amount (0.06%). Structures built prior to this date have a much higher potential for the presence of lead paint – a health hazard, particularly for pregnant women and young children. The vast majority of Portland's housing units (93.3%) were constructed in 1979 or prior, so the presence of lead paint hazards is a concern for most of Portland residents.

<b>Portland Demographic Data</b>	<b>Jefferson County #</b>	<b>Jefferson County %</b>	<b>Portland #</b>	<b>Portland %</b>
<b>Total Population (2000)</b>	693,604		12,246	
<b>2009 Low/Moderate Income Population</b>	284,553	41.8%	9,066	75.6%
<b>Racial/Ethnic Demographics (2000)</b>				
<b>African-American</b>	130,928	18.9%	3,000	24.5%
<b>Caucasian</b>	536,721	77.4%	8,910	72.8%
<b>Hispanic (any race)</b>	12,370	1.8%	142	1.2%
<b>Total Persons Below Poverty (2000)</b>	84,143	12.4%	4,029	33.8%
<b>Children (under age 18) in poverty</b>	30,604	18.5%	1,898	48.4%
<b>Elderly persons (over age 65) in poverty</b>	7,811	8.8%	199	19.3%
<b>Median Household Income (2000)</b>	\$ 39,457		\$ 17,246	
<b>Housing Cost Burden: Calculated Units (2000)</b>	269,650		4,239	
<b>≥30%</b>	63,646	23.6%	1,566	36.9%
<b>≥50%</b>	27,228	10.1%	802	18.9%
<b>Foreclosures (January 2007 to June 2008)</b>	8,012	4.2%	110	9.3%
<b>Occupied Housing Units (2000)</b>	287,012	93.8%	4,359	86.1%
<b>Owner Occupied</b>	186,387	64.9%	2,296	52.7%
<b>Renter Occupied</b>	100,625	35.1%	2,063	47.3%
<b>Vacant and Abandoned Properties (2000)</b>	18,823	6.2%	701	13.9%
<b>2009 Inspected Properties with Violations</b>	17,017	100.0%	864	5.1%
<b>Exterior Code Violations</b>	96,013	100.0%	7,284	7.6%
<b>Interior Code Violations</b>	10,335	100.0%	900	8.7%
<b>Age of Housing Stock (2000)</b>				
<b>Total Housing Stock</b>	305,835	100.0%	5021	100.0%
<b>1990 to March 2000</b>	39,337	12.9%	256	5.1%
<b>1980 to 1989</b>	26,369	8.6%	76	1.5%
<b>1970 to 1979</b>	53,928	17.6%	117	2.3%
<b>1960 to 1969</b>	56,326	18.4%	202	4.0%
<b>1940 to 1959</b>	83,205	27.2%	1,242	24.7%
<b>1939 or earlier</b>	46,670	15.3%	3,128	62.3%

### **3. PUBLIC CONSULTATION**

Portland is a prime area for designation as a NRSA due to excessive community involvement over the course of several years to assess the strengths and needs of the community and develop proposed solutions and courses of action.

Housing staff have met with numerous members of the Portland community during a series of seven meetings beginning in early September, 2010. These meetings were initiated with the help of Councilwomen Cheri Bryant Hamilton. Councilwoman Hamilton represents Louisville Metro's 5<sup>th</sup> district which contains the Portland Neighborhood. Portland Now, one of Portland's well established community organizations, also provided great assistance by using their contacts to inform the community of this effort. Individuals involved in community organizations, real estate, local businesses, religious organizations, local nonprofits, Louisville Metro Department of Economic Development, and citizens met with staff from Louisville Metro Housing and Family Services to set priorities for the \$2 million in available Community Development Block Grant Funding. A representative from the U.S. Department of Housing and Urban Development's Louisville Field office attended one meeting to provide further guidance and consultation to the group.

These meetings covered a number of issues including CDBG eligibility, funding options, ineligible activities, and proposed categories of activities. While initial meetings established housing, economic development and infrastructure as priorities, infrastructure was eventually removed due to the fact that Louisville Metro already funds a street repair program with CDBG funding and Portland is able to receive assistance under the existing program.

Throughout this series of meetings one clear goal emerged – strengthening homeownership. Activities to promote homeownership and provide incentives for existing homeowners to remain in Portland were the highest priority. Second to strengthening homeownership were activities to strengthen and stabilize existing Portland businesses and promote the development of new businesses. These two priorities are the guiding principles for the activities that were selected for funding.

Along with these public consultations and collaborations, an extended community assessment was organized for preparation of the 2010-2014 Consolidated Plan and Action Plan. During this process, the Portland Neighborhood was frequently cited as meriting revitalization both because of its needs and due to its assets, including the Portland Promise Center, Neighborhood House, Portland Now, Portland Community Center, Portland Museum, numerous parks and green spaces and many historic properties. An initial Public Hearing on the Portland NRSA was held on Monday, April 19<sup>th</sup>, 2010 at Neighborhood House, 201 North 25<sup>th</sup> Street from 6pm to 8pm to gather resident and stakeholder input into NRSA plans for Portland. A second public hearing to receive comments on the most recent draft version of this plan was held on Wednesday, January 26, 2011 at Family Health Center Portland, 2215 Portland Avenue beginning at 6pm.

A summary of comments received at the final public hearing and during the required 30 day public comment period and a response to those comments are attached to this plan.

#### **4. ASSESSMENT OF ECONOMIC CONDITIONS**

While Portland does have a very involved and invested constituency, the neighborhood suffers from a lack of access to goods and services, particularly those provided by local businesses. A 2005 survey conducted by the Center for Neighborhoods for the Portland neighborhood plan found that the top three establishments Portland residents would like added to their neighborhood were: a grocery store, sit-down restaurant, and coffee shop or café. Similarly, a 2005 windshield survey conducted by Louisville Metro Housing and Community Development (now Housing and Family Services) found a hundred and fourteen businesses operating in Portland. These businesses included convenience stores and small shops, liquor stores and bars, small restaurants, barber shops, three fast food restaurants, and three gasoline stations. Portland - with 13,541 residents - is underserved with retail options, lacking many of the businesses vital to a neighborhood's sense of community and overall economic health while serving as home to many businesses that are typically found in disadvantaged or dilapidated areas, particularly bars and liquor stores. In a West Market Street Corridor study, residents indicated a need for the following businesses: family restaurants, a bookstore, senior business/medical supply/home health, movie theatre, clothing/shoe store, coffee shop, garden supply/hardware store, print/copy business, roller rink, donut/sandwich shop, physician/dentist, office supply, dry cleaners, drug store, art/craft/hobby supplies, dance studio, car wash, grocery store, bank, art/photography, veterinarian/pet supplies, auto supply, music/video store, barber/beauty shop, and day care.

According to the 2008 DrillDown Market Overview prepared by Social Compact, Inc., the Dixie NE corridor, which includes Portland, showed a need for overall retail as evidenced by an estimated leakage (difference between revenue in the study area vs. expenditures for same goods in total) dollar amount of \$138.2 million; apparel showed a leakage figure of \$25.4 million; grocery at \$10.8 million; and restaurants at \$7.2 million.

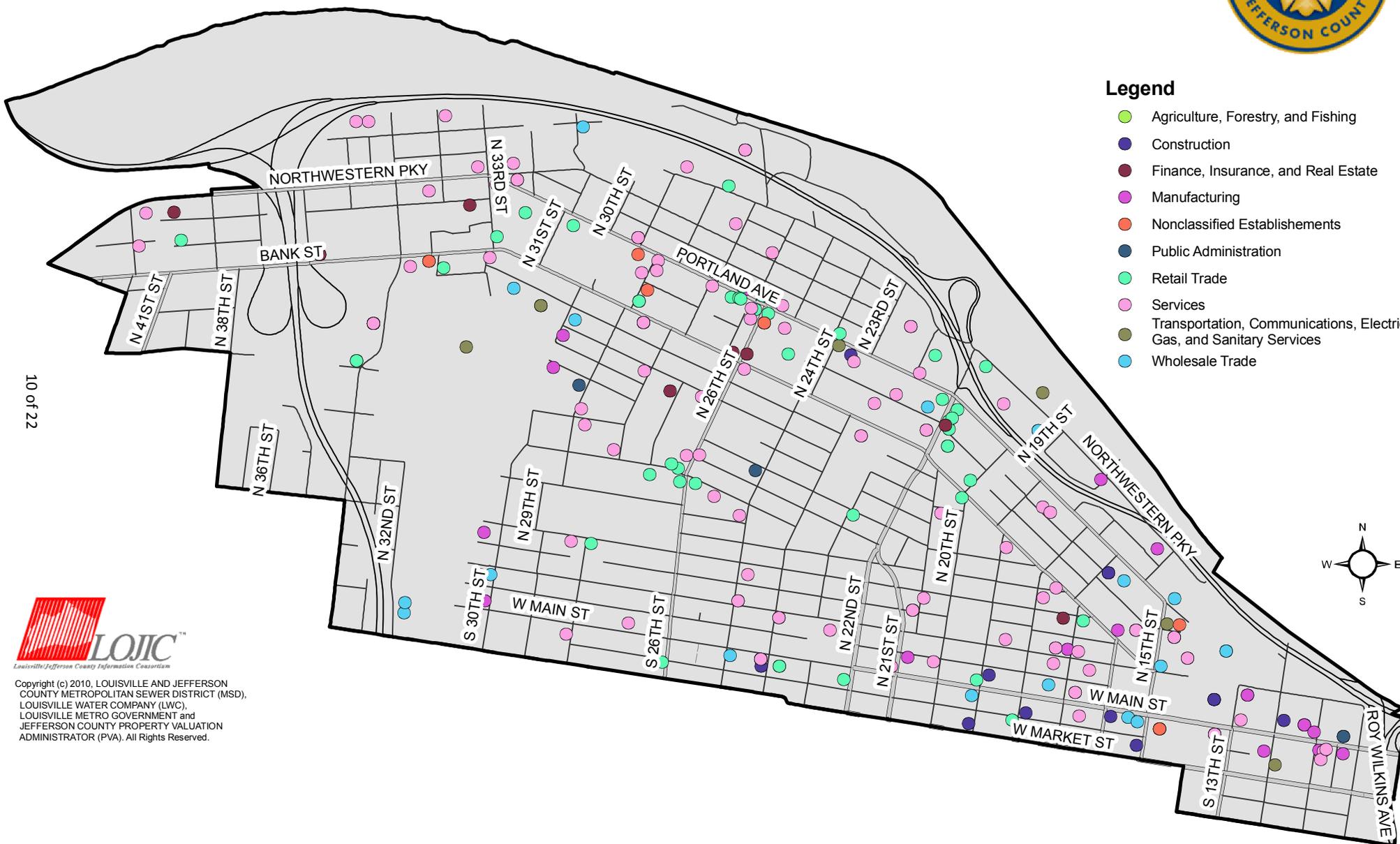
Information from the Reference USA business database shows that 376 businesses were currently operating within their classification of Portland. Of these businesses, there were 12 grocery stores, 2 drug stores, and 3 gas stations. A map on the following pages shows businesses within the Portland NRSA boundary separated according to NIC code.

# Portland NRSA Businesses



## Legend

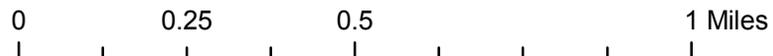
- Agriculture, Forestry, and Fishing
- Construction
- Finance, Insurance, and Real Estate
- Manufacturing
- Nonclassified Establishments
- Public Administration
- Retail Trade
- Services
- Transportation, Communications, Electric, Gas, and Sanitary Services
- Wholesale Trade



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An abundance of vacant lots and commercial buildings are also affecting the economic conditions of Portland. Not only do they add to a general air of dilapidation and deterioration that makes the area unattractive to investors, but the longer these buildings stand empty, the more likely they will not be suitable for revitalization and future use.

An analysis of employment conditions in Portland conducted using the US Census Bureau OnTheMap tool shows a lack of jobs for Portland residents within their own neighborhood. In 2008, 3,516 people worked in Portland, but only 9% of these people also lived in the neighborhood. Jobs in Portland were most likely to be in construction (18.1%), retail trade (14.1%), manufacturing (13.3%), or transportation or warehousing (12.7). A total of 178 jobs (5.1%) of jobs in Portland are in the waste management industry. This is a substantial increase from 44 jobs (1.5%) in 2002. Focusing on growth industries and creating jobs that will be appealing to Portland residents will be essential to revitalizing the economic health of the neighborhood.

Educational attainment is an economic issue in Portland with 11.5% of persons age 25 and over having less than a 9<sup>th</sup> grade education (1,345 people), 30.6% do not hold a high school diploma (3,579 people), only 58% are high school graduates or higher (6,789 people) and a mere 4.5% of Portland residents have earned a bachelor degree or higher (525 people).

According to discussions with the Louisville Metro Department of Economic Development, the Portland business community has similar access to capital as any other section of the Metro area. The City METCO Loan Program is available and the Department of Economic Development has staff that regularly works with Portland residents. Secondly, other agencies have loan programs and grants available to businesses of all sizes. The traditional banking environment is also available to qualified borrowers; however, banks have recently tightened their lending standards have made it more difficult for business to access these resources.

## **5. OPPORTUNITIES FOR ECONOMIC DEVELOPMENT AND EMPOWERMENT**

Currently there are a number of vacant or abandoned commercial structures within the neighborhood that are suitable for rehabilitation. If properly rehabilitated, these structures could be attractive to manufacturing or warehousing companies and could create opportunities for new local jobs for Portland residents. Recently, as part of the Neighborhood Stabilization Program LMHFS provided support to Habitat for Humanity to renovate a commercial structure in Portland to use for its operations.

A second opportunity for economic development lies in the current lack of access to necessary goods and services. While this lack of access has been a burden for Portland residents in the past, it may provide the opportunity for small, locally owned businesses to grow in the area. The proposed Portland-specific Business Loan Program (detailed later) will provide new and existing Portland businesses with the resources they need to survive and grow in the current troubled economic climate.

Another one of Portland's biggest assets, its rich history and diverse population, provides opportunities for economic development and advancement within the neighborhood. Capitalizing on the neighborhood's past as a primary port city and finding ways to reconnect it to the riverfront through improvement of public spaces and continued promotion of features such as the RiverWalk path are vital. Further promotion of neighborhood cultural activities, such as the Portland Art Fair, would likewise bring additional consumers and investment into the neighborhood.

## **6. POTENTIAL PROBLEMS**

Potential problems that may be faced in implementing successful NRSA activities include both perceived and real impediments. Ongoing efforts by community groups to combat the unflattering image that some may have of Portland have the potential to make real progress towards correcting the perceived problem. Events such as art fairs, outdoor activities in one of Portland's parks or the RiverWalk Path, and other community outreach events have the ability to draw people into Portland and persuade them that their initial opinions were misguided.

Other real concerns such as crime and lack of material support from private financial sources pose a much larger problem. Louisville Metro Police Department received reports on 1,300 total incidents of crime within the Portland neighborhood between January 1, 2010 and November 30, 2010, including three murders, nine rapes, eight incidents of forced sodomy, and 71 aggravated assaults. Overcoming the perception and climate that this creates will require both community commitment and dedication from numerous police and governmental organizations.

## **7. PERFORMANCE MEASUREMENTS**

LMHFS will undertake two primary activities with the designated \$2 million CDBG funds: a Portland-based business loan program and a homeowner based rehab program.

The first program, Portland-based business loan program, will receive \$250,000 in CDBG funding. This program will be administered through the Louisville Metro Department of Economic Development. Economic Development Staff will work with new and established Portland businesses to assess their needs, determine the amount of funding needed, and to determine the amount of money that can feasibly be granted within CDBG guidelines.

The loans will be forgivable over a period of time that will be determined based on the amount. Forgiveness will depend on the ability of the business to remain operational for the amount of time specified in the loan documents and the business meeting the required CDBG job creation goals. In this case forgivable, as opposed to repayable, loans were selected based on current economic conditions. There was concern that the current economic environment businesses face would deter potential applicants, particularly small, locally-owned businesses, from seeking funding that would have to be repaid even under favorable terms. Forgivable loans will allow Portland businesses to stabilize their

current economic situation and give them the resources to remain an asset to the community while promoting job creation and the overall economic growth of the neighborhood. As the structure of the program is further developed LMHFS will continue to tailor it to take full advantage of the particular NRSA benefits.

This program will be available to qualifying businesses within the entire Portland NRSA.

Outcomes that Louisville Metro will expect from this program include the number of jobs created, types of jobs, if wages are above- or below-average for the neighborhood and Louisville Metro, and if the person employed lives in the Portland neighborhood, with a goal to create 25 new jobs for Portland residents and facilitate the creation on five new Portland Businesses. All of these factors will be used to assess if the program has resulted in increased economic opportunities for the people of Portland.

The second program, the Portland-specific homeowner based rehabilitation program, will use \$1.75 million of the \$2 million designated CDBG funding. Through the extensive public consultation process, it was made clear that stabilizing the existing owner-occupied housing stock was the highest priority. The most recent data indicates that the neighborhood has recently crossed the threshold to containing more than 50% renter households and the residents attending the consultation meetings expressed the opinion that providing existing homeowners with the resources to maintain their residency in Portland was important to preserving the fabric of the neighborhood.

There are two possible ways which this program may be administered; however, the principal elements of the program will remain the same under either scenario. Through the Portland neighborhood consultations, the opinion was expressed that it would be advantageous to use a nonprofit subrecipient to manage the Portland-specific homeowner based rehab program. Organizations with a history of working within Portland and similar neighborhoods will be at a distinct advantage to conduct outreach within the neighborhood and educate potential clients. A nonprofit subrecipient, particularly one that is already active in the neighborhood, will also help promote community buy-in to the program. Any subrecipient must meet the qualifications to be designated as a CBDO to allow full flexibility of the NRSA designation. Louisville Metro Department of Housing and Family Services is in the process of preparing a Request for Proposals to solicit nonprofits to administer this program. The RFP will focus on choosing a nonprofit with the capacity, experience and desire to manage the program. If a subrecipient is chosen to administer the program, LMHFS will work with the subrecipient to ensure that all applicable regulations are followed and that the program is administered in an efficient and appropriate manner. If an acceptable nonprofit organization does not submit a proposal or if organizations submitting a proposal are found to lack the capacity to administer the program, the program will be administered by Louisville Metro Department of Housing and Family Services Housing and Community Development Division.

The Portland-specific homeowner rehabilitation program will provide a host of CDBG-eligible repairs to qualifying homeowners. The work will be varied, but will focus on improvements that will improve the livability and quality of the home such as new roofs, windows, siding and insulation. A maximum of \$20,000 will be available per household. For households under 80% AMI the program will be forgivable.

Clients will be required to maintain residency for five years with 20% of the loan being forgiven each year. Maintaining residency is being mandated as a condition of this program to ensure that the money is used in a way to continue to promote and stabilize homeownership in Portland.

Due to the fact that one of the primary benefits of the NRSA designation is the aggregation of housing units, households at up to 120% AMI will be able to take advantage of the program. However, for households between 80% and 120% AMI the program will be repayable, although with very favorable terms depending on income.

This program will be available to eligible homeowners within the entire Portland NRSA.

Goals that Louisville Metro will be tracking for the Portland-specific homeowner rehab program include the rehabilitation of 75 owner-occupied homes. LMHFS will also be looking for measurable decreases in utility costs as a result of increased energy efficient as well as a substantial decrease in previously cited code violations. This program will be focused toward the ultimate goal of stabilizing existing homeowners to allow them to continue residence in Portland.

## **Appendix A**

### **Public Comments Received: January 7, 2011 to February 5, 2011**

#### **Gary Watrous**

Via email:

##### 1. LOAN TERMS

I would encourage you to make the NRSA rehab loan program as attractive as possible for all income groups not just the lower.

I understand you are planning to give 100% forgivable loans for income levels at 100% or less of median income. I recommend you consider giving 50% forgivable loans to homeowners from 100 % to 120% of median income.

I believe it is important to have a very attractive and successful program the first year, since word gets around the neighborhood.

If the program is "too successful" because of overwhelming demand, this is a good problem to have -- and I understand you could modify program terms in later years.

##### 2. NEIGHBORHOOD REPRESENTATION

Also, in the interest of gaining the continued support of PNI and providing community accountability and transparency, I recommend the RFP contain a requirement that one PNI member be placed on the board of the non-profit grant recipient (to enhance communication with the neighborhood) and that board minutes be emailed to PNI.

##### 3. PORTLAND FACADE GUIDE

I would like to see any renovation of facades to be according to the Portland Facade Guide. I am attaching the latest draft of the Portland Facade Guide for your information. The most important chapter for NRSA purposes is Chapter 2 and 3.

##### 4. REVOLVING LOAN FUNDS

In our previous meetings with you, the idea of a Revolving Loan Fund was mentioned. I would like to see this Fund set up so that any proceeds of the loan repayment from the NRSA program go into a fund earmarked for Portland, so additional owner occupants have the benefit of continued improvements to their homes.

Corrections from hearing: 100% forgivable for <80% AMI, but 50% forgivable to 80-120% AMI.

Additions: wants RFP scoring to favor subrecipients who address interaction from Portland Now representatives, prefers targeting of funds where high concentration of Home Owner's live (26<sup>th</sup> and

Portland), concentric ring, start in first ring then move on to next ring if no takers, RFP fund recipient to have person knocking on doors to promote program.

Via email: this additional comment on the Portland NRSA. Please record it.

I am in favor of revising the RFP to allow a group such as habitat for humanity renovating vacant houses for new owner occupants.

Habitat said they want to do this.

I would be willing to see them use say \$0.5 million out of the \$1.75 million for this -- since this is exactly the kind of program we proposed to the city in other years for use of the \$2 million CDBG money we did not get.

**LMHFS Response:**

*With regards to point 1, LMHFS supports making the program most attractive to households with the greatest financial need first and foremost. We are confident that terms for those individuals between 80% and 120% AMI will be highly favorable.*

*With regards to points 2 and 3, agreeable program terms must be reached between any subrecipient and LMHFS. However, LMHFS does support efforts to preserve the traditional fabric of the neighborhood and will ensure that any subrecipient has access to the resources of the Portland Façade Guide.*

*With regards to point 4, program terms must be negotiated between any subrecipient and LMHFS. We are open to the possibility of any program income being reinvested in the Portland neighborhood; however, in this age of increasingly smaller budgets LMHFS must also consider the needs of the jurisdiction as a whole when funding is available.*

*Regarding the last email addition, LMHFS is pleased that neighborhood organizations have expressed interest in participating in the NRSA initiative. We encourage Habitat for Humanity to apply through the RFP process so we can fully address the viability of their proposal.*

**Debra Mercer**

Repayable loans revolve back into a Portland Fund, if not possible, then better terms for 80-120% AMI as in some amount forgiven, agrees with Gary on this point, wants Portland Now to be part of committee for RFP.

**LMHFS Response:**

*Program terms must be negotiated between any subrecipient and LMHFS. We are open to the possibility of any program income being reinvested in the Portland neighborhood; however, in this age of increasingly smaller budgets LMHFS must also consider the needs of the jurisdiction as a whole when*

*funding is available. Makeup of the RFP committee has not yet been determined; however, LMHFS must remain cognizant of any conflicts of interest that could occur based on the makeup of that committee.*

**Diane Howerton**

Agrees with Gary, thinks program needs to be successful from beginning, easy to understand, wants larger loans for larger houses, wants energy efficiency to be part of the program, and wants money for first time Home Buyer's to relocate to Portland as in a rehab loan at closing.

***LMHFS Response:***

*The amount of money granted for rehab will depend on the needs of each particular homeowner. The \$20,000 cap is proposed to maximize the number of residents who can take advantage of the program. LMHFS is confident that energy efficient improvements will be one of the focuses of the program. LMHFS has an existing downpayment assistance program that qualifying residents of Portland are eligible to apply for.*

**Judy Schroeder**

Wants residents to stay involved in process, foot soldiers to be part of program marketing by subrecipient, revolving funds to stay with Portland HO's, amount repayable on sliding scale based on AMI, wants to know what are good terms since private loans are at all-time low, wants terms good enough to lure 1<sup>st</sup> time buyers to purchase vacant homes in Portland, likes Gary's targeting of funds.

Additions via email: Please add these comments to what I said at the Public Hearing last week.

I would like to add support for the idea of taking a small part of the NRSA rehab money to also cover vacant house rehabs.

It seems like we can leverage more nonprofit contributions to buy and renovate vacant properties in the target blocks.

For example, Habitat would be able to acquire property with donated funds and leverage as much as \$25,000 for other improvements. At the same time, this will still create a few more homeowners to meet our resident goals, and save a few of vacant buildings that are pulling everyone's property values down.

However, we also need to put a low cap on how much of the \$1.7 million should be spent on vacant houses. Portland residents have been waiting for the City to make good on promises of housing funds since 2005! I'm not thinking of spending more than around \$250,000 of the available funds this way.

With *so many* vacant properties on every block, though, and the comments we were getting about helping renters buy homes, this seems like a possible solution.

**LMHFS Response:**

*Program terms must be negotiated between any subrecipient and LMHFS; however, we support the idea of continued community involvement in the development of the NRSA and will encourage any subrecipient to take advantage of the various resources Portland community organizations can provide.*

*LMHFS supports making the program most attractive to households with the greatest financial need first and foremost. We are confident that terms for those individuals between 80% and 120% AMI will be highly favorable.*

*Again, LMHFS is pleased that neighborhood organizations have expressed interest in participating in the NRSA initiative. We encourage Habitat for Humanity to apply through the RFP process so we can fully address the viability of their proposal.*

**Janel Temple**

Wants people to be able to buy a home and then use the program money to make repairs, not rehab and re-sale, wants money advertised home improvement funds not acquisition funds.

**LMHFS Response:**

*LMHFS is supportive of all efforts that will increase the stability of the neighborhood. Program terms will be established that will limit the ability of any individuals to use the funds for unintended purposes, house flipping, etc.*

**Joni Watkins**

From email after Hearing: If this is an RFP comment add it to that discussion, but if it is part of the NRSA points I wanted to comment on the bullet points that address the idea that the managing agency would be responsible for procuring the contractors to do the work. If I was interested in applying for one of these loans and the work was being done on my house then I would want the freedom to either obtain my own contractors or at least work with the agency and approve contractors. In my opinion it will be essential for the managing agency to assist in that process if needed, but to exclusively use pre-approved contractors would be a mistake in this community.

Additions: I am ok with Habitat using the funds for refurbishing properties for new homeowners but within the guidelines of the \$20,000. If Habitat needs to meet that quota they would have needed to with or without this money and giving them more available funds per property is not fair to the existing homeowners who are not habitat buyers but would also like \$40,000 given to them to refurbish their home. If it doesn't work out under the same \$20,000 ceiling per property I think we may not have the right grant management organization and we should look elsewhere. I am not in favor of Habitat having the ability to use \$40,000 per house when others cannot.

**LMHFS Response:**

*LMHFS maintains an extensive pre-approved contractor list that is open to any contractor who complies with the appropriate terms. Due to numerous local, state and federal regulations LMHFS has found that the use of a preapproved contractor list greatly reduces the time between a client seeking help and that work being performed.*

*LMHFS is pleased that neighborhood organizations have expressed interest in participating in the NRSA initiative. We encourage Habitat for Humanity to apply through the RFP process so we can fully address the viability of their proposal. Program terms must be negotiated between any subrecipient and LMHFS.*

**Gregg Rochman**

Via email: I am in favor of spending some of the proposed NRSA funds for Habitat For Humanity work related to repair of vacant houses for Habitat Home buyers.

**Larry Stoess**

Via email: I would be extremely excited to see this change made to benefit new home owners in Portland through the HFH rehab program. Just last week I attended a house blessing for someone associated with PPD who will be purchasing a HFH rehab home. What a JOY! Hope we can use this money to create more opportunities for home ownership.

**Lisbeth Lanpher**

Via email: I would like to add my thoughts about allowing us to spend part of the money (\$1.7 million) to repair vacant houses, up to \$40,000 per home. This would be with the assistance of Habitat for Humanity and these homes would be sold to Habitat homebuyers. The neighborhood has so many existing vacant homes that need some renovation. It is preferable to save these houses rather than to tear everything down and build new.

Thank you for your attention in this matter.

**LMHFS Response to Mr. Rochman, Mr. Stoess, and Ms. Lanpher:**

*LMHFS is pleased that neighborhood organizations have expressed interest in participating in the NRSA initiative. We encourage Habitat for Humanity to apply through the RFP process so we can fully address the viability of their proposal.*

**Danny McDole**

Via email: If we have to adjust the money to include rehabs .Then we may have to live with it. I hope at least one million to be spent .Be allocated to home owners to save those homes .There are a lot of home owners who need this help.

**LMHFS Response:**

*LMHFS is open to considering all proposals received via the RFP process; however we remain supportive of the original idea that funds will be used to stabilize existing homeowners within the Portland Neighborhood.*

**Martina N. Kunnecke**

Via email: Neighborhood Planning & Preservation, Inc. (NPP) is a metro-wide, volunteer, grassroots organization that advocates neighborhood involvement in historic preservation, community development issues and environmental concerns. We take this opportunity to support the Portland neighborhood in its recommendations regarding the draft NRSA plan for their community.

It is imperative that the initial roll-out of the program is geared towards supporting Portland's commitment to a diverse, mixed income community. The loan program should also facilitate maintaining the historic integrity of the older structures. The following recommendations should help meet these ends, while encouraging home ownership and a sustainable program for ongoing neighborhood improvement:

- Stipulate that any façade renovation be conducted in accordance with the Portland Neighborhood Façade Guide, promoting weatherization techniques and use of window treatments as cost-effective means of energy conservation.
- Promote the loan program as a means to renovate housing that will attract new buyers.
- Earmark half of the loans for the 80-120% AMI income group.
- Channel repaid loans to a future development fund in Portland.

Continued involvement of Portland NOW, Inc. (PNI) would signal the plan is accountable to the public and committed to transparency. Consequently, NPP also endorses placing a PNI representative on the non-profit grant recipient's board and providing PNI with regular board minutes.

Thank you for this opportunity to voice our support and good luck on this exciting community initiative!

**LMHFS Response:**

*Agreeable program terms must be reached between any subrecipient and LMHFS. However, LMHFS does support efforts to preserve the traditional fabric of the neighborhood and will ensure that any subrecipient has access to the resources of the Portland Façade Guide.*

*LMHFS supports making the program most attractive to households with the greatest financial need first and foremost. We are confident that terms for those individuals between 80% and 120% AMI will be highly favorable.*

*Program terms must be negotiated between any subrecipient and LMHFS. We are open to the possibility of any program income being reinvested in the Portland neighborhood; however, in this age of increasingly smaller budgets LMHFS must also consider the needs of the jurisdiction as a whole when funding is available.*

*Again, program terms must be negotiated between any subrecipient and LMHFS; however, we support the idea of continued community involvement in the development of the NRSA and will encourage any subrecipient to take advantage of the various resources Portland community organizations can provide.*

**JoAnn Ford**

Via fax: I own my own home and would really like to know where I can get home to do repairs on my home. I really hope Portland can get the funding to help people like myself get work done their home. I have lived in Portland all my life and I work hard for what I have but time are hard for what I have to fix my home I really wish I did. I would like it if you could let me know where I can go to get help to do just that.

***LMHFS Response:***

*LMHFS received numerous inquires of how to apply for the rehab funds during the public comment process. We have provided these individuals with more information on how to apply once the funding is available.*

**PUBLIC HEARING  
NOTICE  
FOR CITIZEN  
COMMENTS ON  
THE  
PORTLAND  
NEIGHBORHOOD  
REVITALIZATION  
STRATEGY AREA  
PLAN**

Louisville Metro Government will hold a Public Hearing Wednesday, January 26, 2011 at 6:30 p.m. The Public Hearing will be held at Family Health Center-Portland, 2215 Portland Avenue, Louisville, KY 40212, in the 4th floor Anchor Room. The hearing is to receive citizen comments on Metro's Portland Neighborhood Revitalization Strategy Area draft plan. The plan proposes uses of \$2 million in Community Development Block Grant funding to promote revitalization in the Portland neighborhood.

There will be a 30-day public comment period, which will begin on Friday, January 7th 2011 and end on Saturday, February 5, 2011. The full amendment is available for viewing online at <http://www.louisvilleky.gov/Housing/Regulatory+Documents.htm> and at the Department of Housing and Family Services, 745 W. Main St., 3rd Floor, Louisville, Kentucky, 40202 during regular business hours. Any interested agencies, groups, or persons may submit comments regarding the proposed plan via e-mail to Brandi.Scott@louisvilleky.gov, fax to (502) 574-4336, or mailed to Brandi Scott at the address above during the 30-day comment period beginning on Friday, January 7th 2011 and ending on Saturday, February 5, 2011.

For further information or to ensure reasonable accommodations are made for persons with disabilities or persons who are Limited English Proficient, please

**THE COURIER-JOURNAL INC.**

**STATE OF KENTUCKY  
County of Jefferson**

*Affidavit of Publication*

I, *Marjorie Wise* of THE COURIER-JOURNAL, clerk of THE COURIER JOURNAL general circulation printed and published at Louisville, Kentucky, do solemnly swear that from my own personal knowledge, and reference to the files of said publication, the advertisement of:

Title: Public Hearing  
Date: 1/7/2011

Lines: 107  
Inches: 1x10.42

*Marjorie Wise*

Signature of person making proof

Subscribed and sworn to before me this 7th day of January, 2011.

*Janice C. Richardson*

Notary Public, State at Large, KY  
My commission expires June 14, 2014