

# Louisville/Jefferson County Metro Government

## **THE NSP SUBSTANTIAL AMENDMENT**

**SUBMITTED DECEMBER 1, 2008**

Jurisdiction(s):  Louisville/Jefferson County Metro Government	NSP Contact Person: Jeana E. Dunlap Address: 745 West Main St., Suite 300, Louisville, KY 40202 Telephone: 502-574-2322 Fax: 502-574-4199 Email: jeana.dunlap@louisvilleky.gov
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This document is a Substantial Amendment to the Action Plan for Fiscal Year 2008 submitted by Louisville/Jefferson County Metro Government. The Action Plan is the annual update to the Consolidated Plan for FY 2004 through 2008. The Louisville Metro will receive \$6,973,721 from the United States Department of Housing and Urban Development (HUD) for the Neighborhood Stabilization Program (NSP). The NSP funds were authorized by the Housing and Economic Recovery Act of 2008 (HERA) in July 2008. Unless HERA states otherwise, the grants are to be considered Community Development Block Grant funds (CDBG).

NSP funds will be distributed according to the requirements of Section 2301(c) (2) of HERA which requires that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.

The NSP allows the use of only the low-and-moderate income national objective. All funds will be used to assist individuals or families with incomes at or below 120 percent of area median income (AMI). In addition, no less than 25 percent of funds (\$1,743,430) will be used to purchase or redevelop abandoned or foreclosed residential properties that will be used to house individuals or families at or below 50 percent of AMI.

The funds will be administered by the Department of Housing and Family Services through its Housing and Community Development Division according to the enclosed timeline.

## ***A. AREAS OF GREATEST NEED***

### **Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.**

**Note:** An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a Foreclosure and Abandonment Risk Score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult [this data](#), in developing this section of the Substantial Amendment.

### **Response:**

Louisville/Jefferson County (Louisville Metro) presents ample programmatic opportunities for stabilizing neighborhoods. Jefferson County ranks highest among the Commonwealth of Kentucky's 120 counties and the Louisville MSA has been identified as the area with greatest need for assistance to reduce the number of foreclosures (according to the Kentucky Office of the Courts) and ranks highest among statewide jurisdictions with the highest likelihood of future foreclosure, abandonment and deterioration. According to the Foreclosure and Abandonment Risk scores furnished by HUD, when aggregated to the county level, Louisville Metro was the only county assigned a most distressed score of 100 out of 100 points by the Kentucky Department for Local Government.

In preparation for receiving the NSP special allocation, Louisville Metro established a housing policy Advisory Panel to gather input from the private sector, external Metro Government agencies, and the Louisville Metro Council. Financial institutions, housing development professionals and supportive service providers were each represented on the panel. Four subcommittees were formed to evaluate the topics such as financial leveraging opportunities, geographical need, residential construction challenges, and homebuyer concerns. The programmatic activities and priorities reflected in this amendment are a direct result of the conclusions and recommendations of the Advisory Panel based on information gathered by and for the panel.

To ascertain areas of greatest need, Metro Louisville analyzed data from a number of sources. The HUD USER website assessed need using a variety of factors including home value decline, incidence of high cost loans, and Post Office data on residential vacancies. We consider areas of greatest stress to be those Census Tract Block Groups which received the designation of "8", "9" and "10" on a scale of 1 to 10 (with 10 indicating the greatest degree of distress). Louisville Metro's primary emphasis will be on those rated "10" by US HUD. The Metro Department of Inspections, Permits and Licenses (IPL) also provided information regarding the length of

vacancy and citations for Code violations for vacant structures; and the Master Commissioner of Jefferson Circuit Court provided information on foreclosures throughout Metro Louisville.

In addition to addressing areas of greatest need, the Advisory Panel also considered other neighborhood characteristics. Specific areas of priority were chosen based on the following:

- Existing Neighborhood Plan or infrastructure plan
- Existing neighborhood involvement, e.g. Block Watches, Weed and Seed
- Potential economic development corridors, which create or could create jobs
- Neighborhood assets and amenities, e.g. parks, playgrounds, schools
- Owner-occupancy rate and trends
- Vacancy rates, from the Department of Inspections, Permits and Licenses
- Foreclosure information from Metro 211 program which was established to counsel people in foreclosure crisis
- Housing value trends from the Property Valuation Administrator

Based on this information, the Advisory Panel prioritized neighborhoods suffering disproportionate levels of foreclosure stress and deterioration of the existing housing stock. The neighborhoods outlined below will have priority in Louisville Metro's forthcoming requests for proposals. Data provided by US HUD is based on Census Tract boundaries which do not always correspond with commonly recognized neighborhood boundaries. Louisville Metro was able to overlay high risk Census Tracts on a map of the jurisdiction to identify the most closely correlated neighborhoods. The results can be found in Exhibit A (NSP Areas of High Risk for Foreclosure or Abandonment, October 14, 2008) and Exhibit B (NSP Summary Needs Data).

Neighborhoods designated as high priority areas receiving initial benefit from NSP and other available entitlement funds are shown in Table 1 below:

**Table 1**

Neighborhood Boundary	Census Tract	Exhibit
Areas immediately adjacent Park duValle	( 10 ) ( 127.01 ) ( 128.01 )	C
Shawnee	( 4 ) ( 7 )	D
Newburg	( 113.01 ) ( 114.04 ) ( 114.05 ) ( 114.06 )	E
Portland	( 3 ) ( 21 ) ( 23 )	F
Smoketown/Shelby Park	( 62 ) ( 65 )	G

Using information provided by local governmental sources, all vacant properties in these areas will be mapped and determination will be made whether individual properties are consistent with

NSP eligible use requirements and local government objectives. Louisville Metro will move ahead with an ongoing assessment of the specific needs of each neighborhood. Recognizing the unique programmatic opportunities that each neighborhood presents will necessarily yield neighborhood specific strategies comprised of the eligible uses brought forth in the NSP by HERA.

### ***B. DISTRIBUTION AND USES OF FUNDS***

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.

*Note:* The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

#### **Response:**

Louisville Metro will target NSP funded activities into areas of greatest need as stipulated in HERA. Efforts to identify the specific areas of greatest need were informed by analyzing data made available by the Office of Policy Development and Research's HUD USER. Toward making determinations of greatest need, Louisville Metro has adopted the "Estimated Foreclosure Abandonment Risk Score." These Risk Scores incorporate factors such as the percentage of home foreclosures, the percentage of homes financed by subprime mortgages, and residential vacancy rates. After reviewing Risk Scores for all Census Tract Block Groups within the jurisdiction Louisville Metro defines areas of greatest need to be those Block Groups which received a Risk Score of "8", "9" or "10" on a scale of 1 to 10 (with 10 indicating the greatest degree of future foreclosure risk and abandonment).

The areas of greatest need to be targeted with NSP funds are identified in Table 1. Each Target Area will be further analyzed and smaller project areas will be defined based on our ability to concentrate programmatic efforts and achieve sustainable outcomes for the residents in the immediate area. Detailed strategies will be determined on a neighborhood-by-neighborhood basis, at the street level, in collaboration with neighborhood leaders and Metro Council representatives.

The proposed budget for NSP activities is outlined in Table 2 below. NSP funds will be allocated across two primary types of activities. Forty percent of NSP funding is allocated to those activities to be carried out by Louisville Metro staff. These efforts will be referred to as "Direct" activities and include Administration, Disposition and Acquisition. The remaining sixty percent of the NSP award will be allocated to "Indirect" activities, or those carried out by external or third party participants in response to periodic Requests for Proposals issued by Louisville Metro Housing and Family Services.

Louisville Metro will utilize no more than 10% of its NSP allocation for Administration. Non-NSP resources will be used for educating and informing residents about redevelopment opportunities presented through HERA and local government's efforts under the NSP.

**Table 2**

<b>Proposed* NSP Entitlement Budget</b>		
\$ 6,973,721	<b>NSP Award Amount</b>	100%
	<b><u>NSP Activities</u></b>	-
\$ 697,372	Administration	10%
697,372	Direct Disposition	10%
<u>1,394,744</u>	<u>Direct Acquisition</u>	<u>20%</u>
\$ 2,789,488	Total Direct	40%
\$ 1,743,430	Indirect Finance	25%
1,743,430	Indirect Production	25%
<u>697,372</u>	<u>Indirect Public Facilities</u>	<u>10%</u>
\$ 4,184,233	Total Indirect	60%

*\* Louisville Metro reserves the right to revise this plan and/or reprogram NSP funds subject to the alternative requirements governing citizen participation.*

Louisville Metro recognizes and appreciates congressional mandates to stabilize neighborhoods. In light of the housing market crisis and the accompanying rise in mortgage foreclosures, Louisville Metro is prepared to respond in a holistic manner. NSP funds will be used in tandem with other monetary resources including HUD allocated entitlement funds (HOME and CDBG) as well as local general fund dollars. Louisville Metro stands behind the importance of involving both the for-profit and non-profit sectors in the redevelopment of distressed properties. Through non-NSP funds, Louisville Metro is also taking steps to capitalize and strengthen neighborhood-based groups and Community Housing Development Organizations (CHDOs). We will invite capable non-profits to participate as builder/developers in the NSP program.

Toward that end, Indirect awards will be made to third parties responding to a Request for Proposals. NSP funds will be allocated to third party builder/developers in a series of RFPs to occur periodically throughout the program period. Submissions will be evaluated according to three program modules corresponding to the eligible uses under the NSP. These modules are (1) Finance (which may include mechanisms such as loan pooling, mortgage enhancements, and below-market rate construction loans); (2) Production (which may include acquisition, demolition, infrastructure, rehabilitation, new construction, marketing, and down-payment assistance activities); and (3) Public Facilities (which may include acquisition, demolition, infrastructure, adaptive reuse, rehabilitation, new construction, or redevelopment of vacant land or structures for the provision of transitional housing, permanent supportive housing or community enhancements consistent with 24 CFR 570.201(c)). The proposed timeline for carrying out the program is outlined below and the public notice can be found in Exhibit H.

Under the Direct Acquisition activity, for structures with completed foreclosure actions, if owned by a lending institution, we will attempt to purchase the property at below-market prices. NSP regulations require that individual properties be purchased at a price no greater than 95% of current appraised value, and that the average purchase price for all properties purchased with NSP funds be no greater than 85% of current appraised value. If structures were purchased at the

### **PROPOSED\* NSP TIMELINE**

October 29, 2008	Public Notice posted to Louisville Metro website
November 11, 2008	Public Notice published in the Courier-Journal newspaper
November 26, 2008	Public Comment Period ends at midnight
December 1, 2008	Louisville Metro submits Substantial Amendment to HUD
December 1, 2008 - January 31, 2009	Community Outreach Meetings Occur in Priority Neighborhoods
Tentative Dates:	
February 13, 2009	HUD approval of Substantial Amendment and Release of Funds
March 1, 2009	NSP Training Sessions for Potential Participants begin
July 31, 2010	18 month Commitment Period ends All NSP funds must be obligated to a project-specific activity.
December 31, 2012	48 month Expenditure Period ends All NSP expenditures equal or exceed the initial allocation.

\* *Louisville Metro reserves the right to modify or adjust dates and timeframes throughout the NSP implementation period.*

Jefferson County Circuit Court Commissioner's foreclosure sale by a purchaser who intends to rehabilitate the property, IPL will monitor the property to ensure that all Code violations are corrected within a reasonable period of time.

For structures for which mortgage foreclosure actions have been initiated by another party and the structures are blighted and abandoned, we will attempt to locate the current owner and pursue a deed in lieu of foreclosure. If the property goes to foreclosure sale, representatives of Louisville Metro will attend the sale and determine if it is in the best interest of Louisville Metro to bid on the property during the Commissioner's auction. FHA foreclosed properties in selected areas are eligible for NSP acquisition and redevelopment, and the acquisition of such properties will be sought where appropriate.

For structures which are abandoned and blighted, have not had any other foreclosure action initiated, and have delinquent taxes, Louisville Metro will initiate property tax foreclosure with non-NSP resources. Louisville Metro will make an attempt to locate the owner, and if the

property is a candidate for rehabilitation, and if Louisville Metro makes a reasonable determination that it is unlikely that the owner will rehabilitate the property, Louisville Metro will attempt to purchase the property at a below-market price. If the property is a candidate for demolition, Louisville Metro will initiate demolition proceedings.

All properties will be acquired to be sold with clear title through the Louisville/Jefferson County Landbank Authority under the Direct Disposition module. NSP funds will be used to increase bid capacity over and above the value of delinquent tax and building & housing liens, to demolish blighted structures, to warehouse vacant property for future NSP eligible uses, to maintain non-NSP acquired property in priority areas, and to clean and secure NSP acquisition inventory until redevelopment. NSP funded activities will be limited to the NSP targeted areas.

Under the Indirect program modules, after houses suitable for rehab are acquired, they will be conveyed to builders or developers who will agree to rehabilitate the properties within a reasonable period and offer the properties for sale to low, moderate, and middle-income owner-occupant households. The houses must be sold at a price no higher than the actual costs incurred, including a reasonable development fee which can be made by the builder/developer. As houses are acquired by the Landbank, where possible, properties in close proximity will be bundled. Requests for Proposals will be prepared, and properties conveyed to the “highest and best” bidder. In addition to the purchase price offered, other factors such as builder capacity and experience, and the amount of development fee specified in the proposal, will be evaluated. Although the builder/developer will carry the entire risk of rehabilitation, construction and resale, Louisville Metro will attempt to mitigate as much risk as possible through NSP eligible financing mechanisms.

Louisville Metro will attempt to recover as much of its acquisition cost as possible, but will offer the houses, multifamily properties and adaptable non-residential buildings to builder/developers through a competitive process. Builder/developers will be encouraged to determine the purchase price offered by estimating a market price for the rehabilitated property, deducting rehabilitation cost (including a development fee), deducting the cost of real estate agents (where applicable), and thereby determining the highest responsible purchase price which they could offer to Louisville Metro. The sale price after rehabilitation must be the lower of the after-rehab appraised value or actual cost the builder/developer has in the house. Prior to the ultimate sale to an owner/occupant, a financial summary prepared by the builder/developer will be submitted to Louisville Metro to ensure the sale price conforms to program requirements. Builder/developers will agree to bring the house into compliance with all applicable codes within a mutually agreed-to time, to keep the property attractive during the marketing period and to sell the house to income-eligible owner-occupants.

Louisville Metro will provide financial incentives to encourage builder/developers to participate in the program, including Down Payment Assistance Program funds restricted to qualifying purchasers of the houses assisted through the NSP, in the form of forgivable soft second mortgage loans. If a completed house does not attract eligible purchasers within a reasonable period of time and after appropriate marketing by the builder/developer, Louisville Metro may increase the amount of soft second financing available to help ensure the house is sold and occupied.

We will ensure the affordability of NSP-assisted housing by requiring that purchasers of properties to be owner-occupied at the time of purchase, will have a debt burden within the range acceptable to FHA, and that all primary loans are fixed-rate with no prepayment penalty. Forgivable loans of up to \$30,000 will be provided to eligible purchasers of the first wave of houses rehabilitated or developed in NSP concentrated areas. These loans will be fully repayable if the home is sold before the end of the sixth full year after purchase, thereafter, 20% of the loan will be forgiven at the end of the sixth year, and 20% each year thereafter until the loan is fully forgiven at the end of the 10<sup>th</sup> year. As the program progresses, the amount and structure of financial assistance may be adjusted to respond to market conditions.

To assist builders obtain construction financing, Louisville Metro will: a) provide the amount of the forgivable loan to be offered to the ultimate buyer, to be used by the builder/developer as construction financing, subordinate to the primary construction loan obtained by the builder/developer—these funds will be provided by the builder/developer at the closing to the owner/occupant, to be used as the forgivable loan; and b) Louisville Metro will attempt to form a loan pool with local lenders, for the benefit of builder/developers whose access to conventional construction financing may be restricted. Louisville Metro may also explore using NSP funds as credit enhancements to increase the availability of private sector loans as may be needed.

Funds that cannot be used in the prioritized census blocks could eventually be utilized either within the designated/priority neighborhood or within another qualified area geographically separate from the priority areas – i.e. area of highest need indicated by a high risk score (8-9-10) and a prevalence of low-mod-middle income households. The vast majority of high risk census tracts coincide with the low-mod-middle characteristic with only 7 of 234 high risk census blocks not being predominately low to middle income. Louisville Metro will also seek additional NSP funding through the Commonwealth of Kentucky. Additional funds secured through the state NSP will be used to fulfill unfunded Indirect proposals, as well as local level NSP activities over and above those made possible through Direct NSP dollars.

### ***C. DEFINITIONS AND DESCRIPTIONS***

(1) Definition of “blighted structure” in context of state or local law.

#### **Response:**

The Kentucky Revised Statutes (KRS 99.705) define "Blighted" or "deteriorated" property as any vacant structure or vacant or unimproved lot or parcel of ground in a predominantly built-up neighborhood:

- (a) Which because of physical condition or use is regarded as a public nuisance at common law or has been declared a public nuisance in accordance with a city of any class, or in counties containing a city of the first class or consolidated local government, with the housing, building, plumbing, fire, or related codes;
- (b) Which because of physical condition, use, or occupancy is considered an attractive nuisance to children, including but not limited to abandoned wells, shafts, basements, excavations, and unsafe fences or structures;

- (c) Which because it is dilapidated, unsanitary, unsafe, vermin-infested, or lacking in the facilities and equipment required by the housing code of a city or county containing a city of the first class or consolidated local government, has been designated by the department responsible for enforcement of the code as unfit for human habitation;
- (d) Which is a fire hazard, or is otherwise dangerous to the safety of persons or property;
- (e) From which the utilities, plumbing, heating, sewerage, or other facilities have been disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use;
- (f) Which by reason of neglect or lack of maintenance has become a place for accumulation of trash and debris, or a haven for rodents or other vermin;
- (g) Which has been tax delinquent for a period of at least three (3) years; or
- (h) Which has not been rehabilitated within the time constraints placed upon the owner by the appropriate code enforcement agency.

(2) Definition of “affordable rents.” **Note:** Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

**Response:**

Louisville Metro defines affordable rents as a monthly rent amount that does not exceed the HUD Fair Market Rent (FMR) during the term of affordability. HUD Fair Market Rents for the Louisville MSA are outlined in Table 3 below.

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

**Response:**

The duration of affordability standards will be tied to the total level of NSP funding utilized both directly and indirectly into a particular activity or property. Recipients and/or beneficiaries will be obligated to comply with affordability requirements via development agreement, land-use restrictions, covenants and other land-related encumbrances. Where periods of affordability vary by funding source, the longer affordability period will be enforced. Both rental and owner-occupied tenures will be subject to the same standards for continued affordability. The timeframes are adopted from the HOME Investment Partnerships program and outlined below in Table 4. Public facilities and related redevelopment activities will also be subject to continued affordability standards through the use of long-term lease agreements and/or development agreements. Recipient organizations providing housing and/or services (i.e. service providers for low-moderate-middle income clientele) will be required to serve eligible populations for the duration of the agreement period. If at any time prior to the conclusion of the agreement the recipient organization alters its mission or ceases to operate, the facility will be returned to Louisville Metro.

**Table 3**

## NSP Affordable Rent Guidelines by Unit Size

Louisville MSA Fair Market Rents Fiscal Year 2008						
1 BR	2 BR	3 BR	4 BR	5BR	6 BR	7 BR
\$483	\$559	\$663	\$926	\$984	\$1,132	\$1,279

**Table 4**

Rental and Homeownership Affordability Periods (based on funds per unit)	
Under \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years
New Construction	20 years
Acquisition	20 years

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

**Response:**

Rehabilitation standards will be consistent with standards set forth in the Metro Property Maintenance Code (chapter 156 of the Metro Codes of Ordinances). In addition to requiring developers to bring properties into compliance with the Metro Property Maintenance Code, the program will develop and include in rehabilitation standards certain green building and energy-efficient features, which may include recovery of reusable materials from houses to be rehabilitated or demolished, use of HEPA filters for vacuum cleaners used during construction, protecting trees and other vegetation during construction, specifying previous driveways and parking areas where appropriate, requiring 1.5 gpm shower fixtures and dual flush toilets, requiring Energy Star rated dishwashers, refrigerators, thermostats, furnaces and other appliances, prohibiting use of flex duct except in very short runs and requiring ductwork outside conditioned areas to be insulated, requiring insulation values or at least R-38 attics, R-21 walls, R-30 floors, requiring use of foam sealant insulation such as Icynene where practical, requiring high energy-factor water heaters (minimum .64 for gas, /93 for electric), requiring efficient outdoor lighting where used (30 lumens per watt or better) and developing guidelines for minimum life-expectancy of existing roofs, cladding frame dwellings with vinyl siding and trim were practical, and requiring exterior storage areas to be built for any dwelling which does not have a garage or basement.

***D. LOW INCOME TARGETING***

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential

properties for housing individuals or families whose incomes do not exceed 50 percent of area median income. The median income for the Louisville MSA is \$59,400 for a family of four in 2008.

**Note:** At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income (AMI).

**Response:**

Louisville Metro anticipates that no less than 25% of NSP funds will be used in properties which will be occupied by households whose income does not exceed 50% of median income, adjusted for household size. This will be accomplished by working closely with the Section 8 Homeownership Program administered by the Louisville Metro Housing Authority, and by working closely with homeownership counseling programs of the Louisville Urban League, Housing Partnership, Inc. and other HUD-certified counseling agencies, to identify potential low-income qualified purchasers of modest and affordable homes. Louisville Metro will also work with Habitat for Humanity to identify potential low-income purchasers, and attempt to involve Habitat volunteers in the rehabilitation process. We also anticipate that the sale prices of modest homes, when coupled with down payment assistance, will result in monthly home purchase payments affordable to very low-income buyers.

While the HUD-approved counseling agencies can provide a steady stream of eligible homebuyers across all income ranges, the Section 8 Homeownership and Habitat programs both serve households at or well below the 60% or Low Income threshold. As the NSP program will also address eligible residential properties other than single-family homes, funds used for such properties which benefit households with incomes up to 50% AMI will be counted toward the requirement that 25% of awarded funds benefit such low-income households. We anticipate the vast majority of persons served or assisted through the Public Facilities module to fall within the 50% of median income threshold.

***E. ACQUISITIONS & RELOCATION***

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e.,  $\leq$  80% of area median income).

**Response:**

- Louisville Metro estimates the number of low- and moderate-income dwelling units—i.e.,  $\leq$  80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities to be 80 units.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e.,  $\leq$  120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, are listed below for all NSP activities that will provide housing. A proposed time schedule for each NSP activity is also included below.

Eligible Use	Activity	Total Units	Tenure	Income Level Targeting		
				Low	Moderate	Middle
A	Finance Mechanisms	75	Ownership	30	25	20
B	Acquisition/Rehab					
D	Demolition	80	N/A	0	0	0
E	Redevelopment	50	Rental	50	0	0

Proposed Time Schedule		
Activity	Commencement	Completion
A	January 1, 2009	December 31, 2012
B	January 1, 2009	December 31, 2012
D	January 1, 2009	December 31, 2012
E	January 1, 2009	December 31, 2012

- Louisville Metro estimates that approximately 30 homes are reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

#### ***F. PUBLIC COMMENT***

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

**Note:** proposed NSP Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 15 calendar days for public comment.

#### **Response:**

The public comment period concluded on Wednesday, November 26, 2008 at midnight. A total of six comments were received from the community at large. Requests were made to include the Shawnee, Portland and California neighborhoods among the priority areas to be targeted with NSP entitlement funds. Census Tracts in both Shawnee and Portland were recommended for priority by the Housing Policy Advisory Panel and the targeted Census blocks are listed in Table 1. The California neighborhood is among the 60 Jefferson County Census Blocks identified as the neediest according to the Foreclosure and Abandonment Risk Score. As such, builder/developers or service providers interested in working in the predominately low-income neighborhoods may have opportunities to do so after efforts in the priority areas identified in Table 1 are exhausted or when additional State-level NSP funds become available for programming in Louisville Metro. The California, Chickasaw, Oakdale, Phoenix Hill, and Shagbark/Shanks Lane neighborhoods are included in the 2009 Action Plan and non-NSP entitlement expenditures will be exclusively directed toward those areas.

Public comments on the Louisville Metro NSP Substantial Amendment can be found in their entirety under Exhibit I of this amendment. Comments were submitted by the following:

1. Councilwoman Cheri Bryant Hamilton, Louisville Metro Council District 5 (November 5, 2008);
2. Rudy Davidson, President, Shawnee Neighborhood Association (November 11, 2008);
3. Michael L. Brooks, President, California Neighborhood Coalition, Inc. (November 25, 2008);
4. Sylvia Wright, Chair, Shawnee Weed and Seed Steering Committee & Rudy Davidson, Chair, Shawnee Neighborhood Association (November 25, 2008);
5. Mary Turner, Housing Committee and Debra Mercer, Chairperson-Portland Planning Task Force, Portland Now, Inc. (November 26, 2008);
6. Doug Magee, Program Manager, Nonprofit Housing Alliance (November 26, 2008);
7. Shanna Smith, President & CEO, National Fair Housing Alliance (December 6, 2008);
8. Kyle Hoylman, Kentucky Association of Radon Professionals (January 15, 2009).

**G. NSP INFORMATION BY ACTIVITY**

- (1) Activity Name: **Administration & Outreach**
- (2) Activity Type: CDBG – 24 CFR 570.206 (a)-(b)
- (3) National Objective: This activity will meet the a national objective benefitting low, moderate and middle income persons by (1) providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120 percent of the Area Median Income for the Louisville MSA (LMMH); and/or by (2) serving an area in which at least 50 percent of the residents have incomes at or below 120 percent of median income (LMMA).
- (4) Activity Description:  
Administrative and Outreach funds will be used for program delivery and to educate residents and potential program participants. Local NSP funds used for this activity will not be used to meet the low income housing requirement for those below 50% of area median income.
- (5) Location Description: Priority areas identified in Section A, Table 1.
- (6) Performance Measures: Rate at which NSP funds are drawn down in a timely manner.
- (7) Total Budget: \$697,372
- (8) Responsible Organization:  
Louisville/Jefferson County Metro Government  
Department of Housing and Family Services  
Division of Housing and Community Development  
745 W. Main Street, Suite 300, Louisville, Kentucky 40202  
(502) 574-3107
- (9) Projected Start Date: January 1, 2009
- (10) Projected End Date: December 31, 2012
- (11) Specific Activity Requirements: Not Applicable

**G. NSP INFORMATION BY ACTIVITY (CONTINUED)**

(1) Activity Name: **Direct Disposition**

(2) Activity Type: NSP (E) -- HERA Section 2301(c)(3)(E)  
CDBG – 24 CFR 570.201(a)-(b)

(3) National Objective: This activity will meet the national objective benefiting low, moderate and middle income persons by (1) providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120 percent of the Area Median Income for the Louisville MSA (LMMH); and/or by (2) serving an area in which at least 50 percent of the residents have incomes at or below 120 percent of median income (LMMA).

(4) Activity Description:

Properties acquired with NSP funds will be warehoused in the Louisville-Jefferson County Landbank and later made available to private builders and developers for the production of the affordable housing units for income-qualified persons. Landbank staff will clean, secure and otherwise maintain NSP acquisitions and existing Landbank properties located in the priority areas listed in Table 1, to the extent necessary to arrest neighborhood decline. Disposition funds will not be counted toward the low-income housing requirement for assisting households at or below 50 percent of area median income.

(5) Location Description: Priority Areas identified in Section A.

(6) Performance Measures: Units of housing to be acquired, maintained, and disposed to be determined by unit availability and housing market conditions at the time of program implementation.

(7) Total Budget: \$697,372

(8) Responsible Organization:  
Louisville/Jefferson County Metro Government  
Department of Housing and Family Services  
Division of Housing and Community Development  
Louisville/Jefferson County Landbank Authority, Inc.  
745 W. Main Street, Suite 300, Louisville, Kentucky 40202  
(502) 574-3107

(9) Projected Start Date: January 1, 2009

(10) Projected End Date: December 31, 2012

(11) Specific Activity Requirements:

- Acquisition discount rate – 85% of Fair Market Value for the entire program and no more than 95% for individual properties.

**G. NSP INFORMATION BY ACTIVITY (CONTINUED)**

(1) Activity Name: **Direct Acquisition**

(2) Activity Type: NSP (B) – HERA Section 2301(c)(3)(B)  
CDBG – 24 CFR 570.201(a)

(3) National Objective: This activity will meet the a national objective benefitting low, moderate and middle income persons by (1) providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120 percent of the Area Median Income for the Louisville MSA (LMMH); and/or by (2) serving an area in which at least 50 percent of the residents have incomes at or below 120 percent of median income (LMMA).

(4) Activity Description:

Direct Acquisition funds will be used to acquire abandoned and foreclosed properties physically located in the priority areas listed in Table 1. Properties acquired with NSP funds will be warehoused in the Louisville-Jefferson County Landbank and later made available to private builders and developers for the production of the affordable housing units for income-qualified persons. Funding for this activity will be used to meet the low income housing requirement for those below 50 percent of area median income by providing low cost housing units for families at or below 50 percent of AMI to the extent that units are sold or rented to very low-income households.

(5) Location Description: Priority Areas identified in Section A.

(6) Performance Measures: Number of housing units acquired to be determined by unit availability (via foreclosure and voluntary sale) and housing market conditions at the time of program implementation.

(7) Total Budget: \$1,394,744

(8) Responsible Organization:  
Louisville/Jefferson County Metro Government  
Department of Housing and Family Services  
Division of Housing and Community Development  
Louisville/Jefferson County Landbank Authority, Inc.  
745 W. Main Street, Suite 300, Louisville, Kentucky 40202  
(502) 574-3107

(9) Projected Start Date: January 1, 2009

(10) Projected End Date: December 31, 2012

(11) Specific Activity Requirements:

- Acquisition discount rate – 85% of Fair Market Value for the entire program and no more than 95% for individual properties.

**G. NSP INFORMATION BY ACTIVITY (CONTINUED)**

(1) Activity Name: **Indirect Finance**

(2) Activity Type: NSP (A) – HERA Section 2301(c)(3)(A)  
CDBG – 24 CFR 570.206

(3) National Objective: This activity will meet the a national objective benefitting low, moderate and middle income persons by (1) providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120 percent of the Area Median Income for the Louisville MSA (LMMH); and/or by (2) serving an area in which at least 50 percent of the residents have incomes at or below 120 percent of median income (LMMA).

(4) Activity Description:

Financing mechanisms to underwrite NSP activities including the production and/or eventual ownership of affordable housing units in the priority areas listed in Table 1. Funds will be provided as requested via RFP by private entities and organizations. An appropriate portion of funding for this activity will be used to meet the low income housing requirement for those below 50 percent of area median income by providing low cost housing units and/or mortgages for families at or below 50 percent of AMI.

(5) Location Description: Priority Areas identified in Section A.

(6) Performance Measures: To be determined through the RFP process.

(7) Total Budget: \$1,743,430

(8) Responsible Organization: To be determined through the RFP process.

(9) Projected Start Date: March 1, 2009

(10) Projected End Date: December 31, 2012

(11) Specific Activity Requirements:

- Range of interest rates – Below-market interest rates will be offered as determined in periodic requests for proposals.

**G. NSP INFORMATION BY ACTIVITY (CONTINUED)**

(1) Activity Name: **Indirect Production**

(2) Activity Type: NSP (B) – HERA Section 2301(c)(3)(B)  
CDBG – 24 CFR 570.201 (a)-(b), and activity (n) (*as modified in the NSP notice*)

(3) National Objective: This activity will meet the a national objective benefitting low, moderate and middle income persons by (1) providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120 percent of the Area Median Income for the Louisville MSA (LMMH); and/or by (2) serving an area in which at least 51 percent of the residents have incomes at or below 120 percent of median income (LMMA).

(4) Activity Description:

Support for rental and single-family production in the priority areas listed in Table 1 will be provided as requested via RFP by private builders and developers. An appropriate portion of funding for this activity will be used to meet the low income housing requirement for those below 50 percent of area median income by providing housing for families at or below 50 percent of AMI.

(5) Location Description: Priority Areas identified in Section A.

(6) Performance Measures: To be determined through the RFP process.

(7) Total Budget: \$1,743,430

(8) Responsible Organization: To be determined through the RFP process.

(9) Projected Start Date: March 1, 2009

(10) Projected End Date: December 31, 2012

(11) Specific Activity Requirements:

- Acquisition discount rate – 85% of Fair Market Value for the entire program and no more than 95% for individual properties.
- Range of interest rates – Below-market interest rates will be offered as determined in periodic requests for proposals.
- Duration or term of assistance - To last throughout the period of affordability.
- Tenure of beneficiaries – Rental and Owner-occupied.
- All units produced will be subject to the affordability requirements outlined in Section (C) (3) of this Amendment and as shown in Table 3.

**G. NSP INFORMATION BY ACTIVITY (CONTINUED)**

(1) Activity Name: **Indirect Public Facilities**

(2) Activity Type: NSP (E) – HERA Section 2301(c)(3)(E)  
CDBG – 24 CFR 570.201 (a)-(c)

(3) National Objective: This activity will meet the a national objective benefitting low, moderate and middle income persons by (1) serving an area in which at least 50 percent of the residents have incomes at or below 120 percent of median income (LMMA); and by (2) serving a limited clientele whose incomes are at or below 50 percent of area median income (LMMC).

(4) Activity Description:

Support for public facilities will be provided as requested via RFP by external local government entities or private, non-profit agencies for redevelopment or community enhancements physically located in the priority areas listed in Table 1. Funding for this activity will be used to meet the low income housing requirement for those below 50 percent of area median income by providing housing and/or supportive services for clientele at or below 50 percent of AMI.

(5) Location Description: Priority Areas identified in Section A.

(6) Performance Measures: To be determined through RFP process.

(7) Total Budget: \$697,372

(8) Responsible Organization: To be determined through RFP process.

(9) Projected Start Date: March 1, 2009

(10) Projected End Date: December 31, 2012

(11) Specific Activity Requirements:

- Acquisition discount rate – 85% of Fair Market Value for the entire program and no more than 95% for individual properties.
- Tenure of Beneficiaries – Rental and/or Transitional

**EXHIBIT A – NSP Areas of High Risk for Foreclosure or Abandonment**

# Neighborhood Stabilization Program

Areas of High Risk for Foreclosure or Abandonment

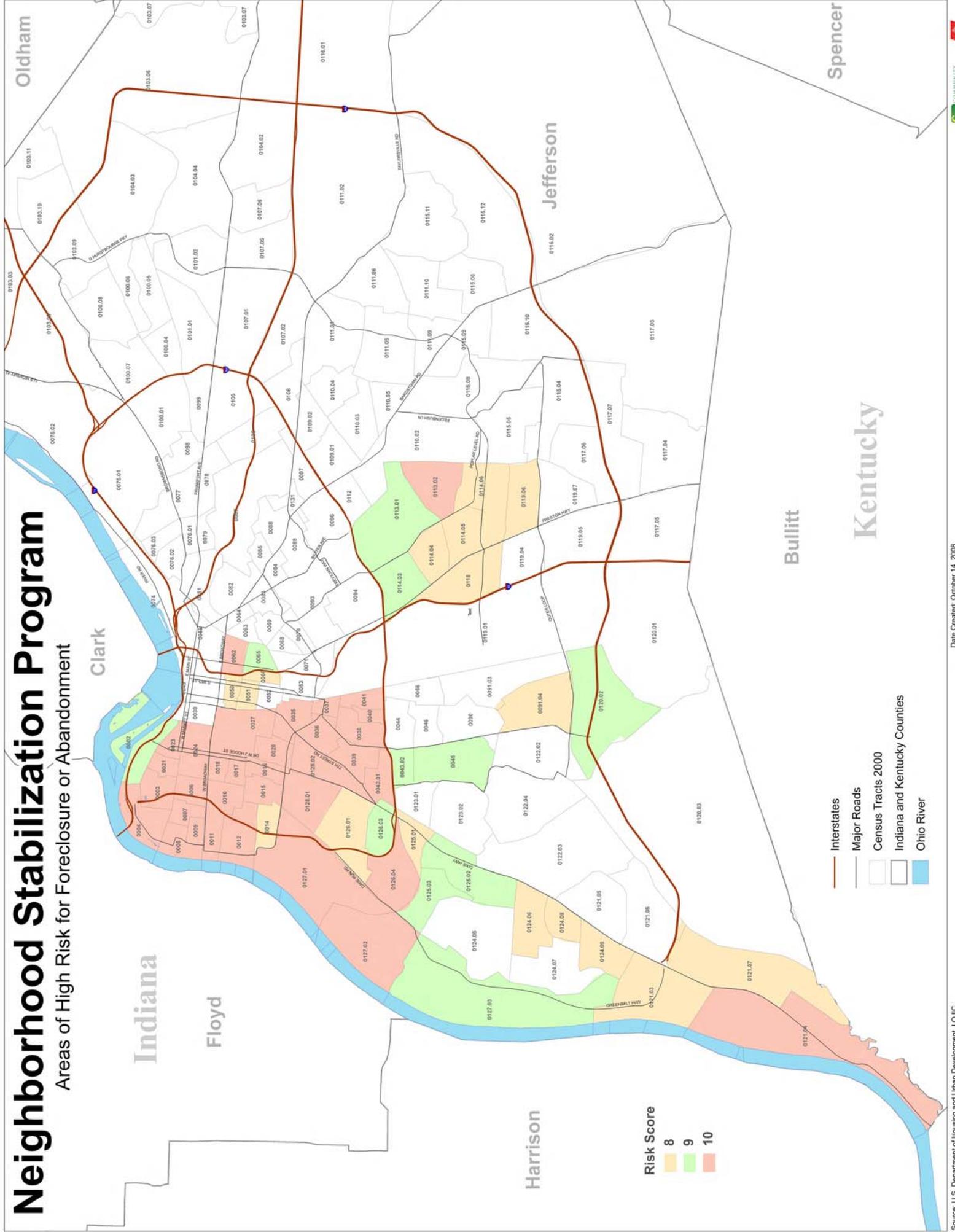
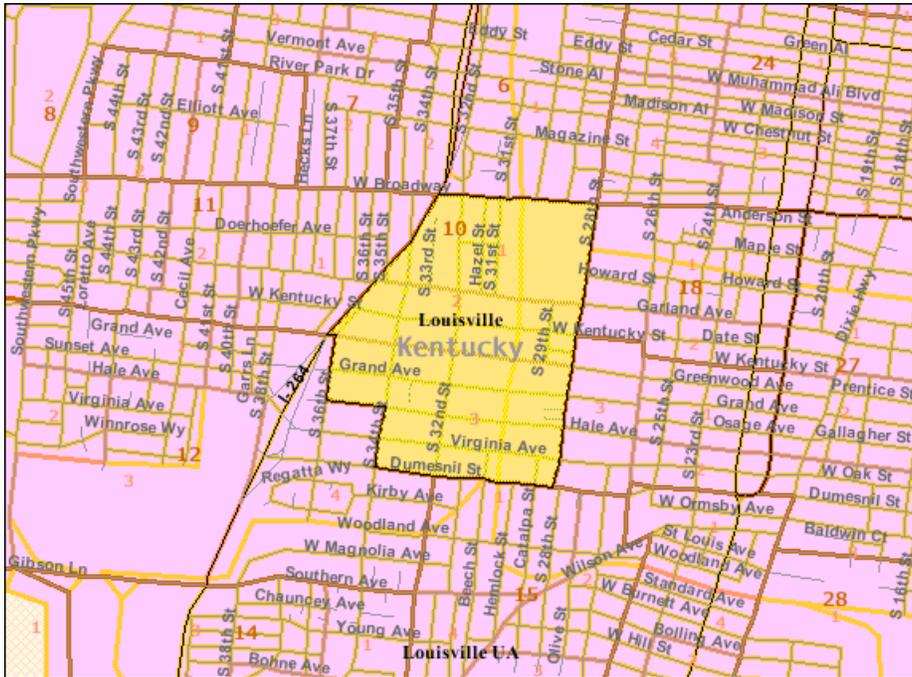


Exhibit B  
NSP Summary Needs Data

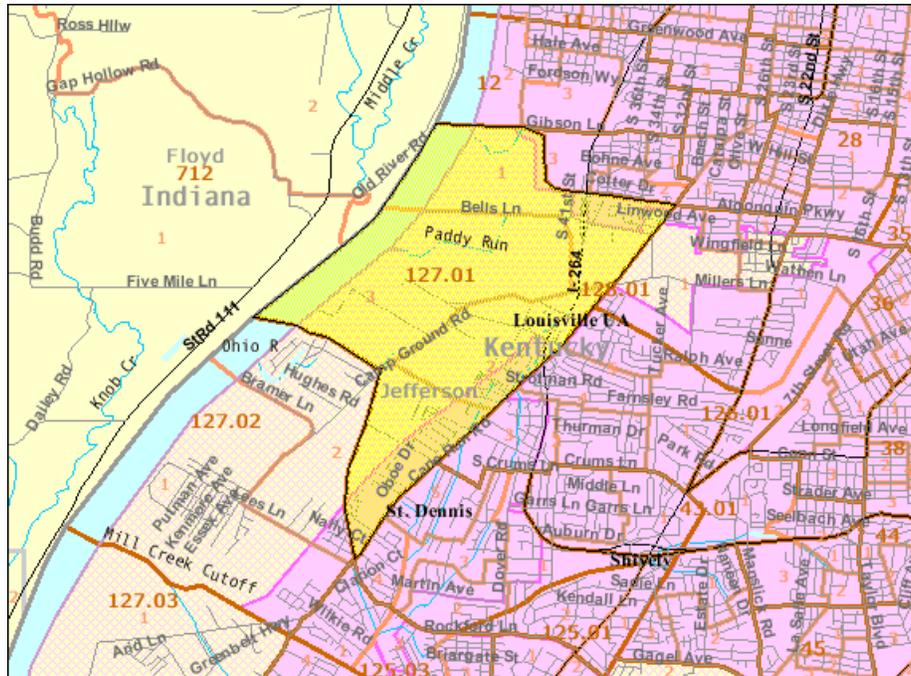
(5) Neighborhood	(14) Census Tract	(60) Block Group	Middle or Low-Mod Eligible	Estimated Foreclosure & Abandonment Risk Score	Percent < 120% AMI	Persons < 120% AMI	Total Population	HMDA High- Cost Loan Rate	Predicted 18 Month Underlying Foreclosure Rate	USPS Residential Vacancy Rate
Portland	000300	1	YES	10	95.1%	1,342	1,411	63.7%	11.0%	10.1%
Portland	000300	2	YES	10	87.3%	863	988	63.7%	11.0%	10.1%
Portland	000300	3	YES	10	88.1%	660	749	63.7%	11.0%	10.1%
Shawnee	000400	1	YES	10	73.3%	519	708	49.7%	8.6%	8.3%
Shawnee	000400	2	YES	10	83.4%	740	887	49.7%	8.6%	8.3%
Shawnee	000400	3	YES	10	77.0%	500	649	49.7%	8.6%	8.3%
Shawnee	000400	4	YES	10	84.8%	635	749	49.7%	8.6%	8.3%
Shawnee	000400	5	YES	10	90.1%	545	605	49.7%	8.6%	8.3%
Shawnee	000400	6	YES	10	73.7%	494	670	49.7%	8.6%	8.3%
Shawnee	000400	7	YES	10	72.5%	596	822	49.7%	8.6%	8.3%
Shawnee	000700	1	YES	10	88.1%	657	746	68.7%	11.8%	16.3%
Shawnee	000700	2	YES	10	82.8%	1,003	1,211	68.7%	11.8%	16.3%
Shawnee	000700	3	YES	10	82.7%	884	1,069	68.7%	11.8%	16.3%
Park DuValle - Parkland	001000	1	YES	10	79.9%	645	807	67.9%	11.7%	19.1%
Park DuValle - Parkland	001000	2	YES	10	89.4%	623	697	67.9%	11.7%	19.1%
Park DuValle - Parkland	001000	3	YES	10	92.3%	1,360	1,474	67.9%	11.7%	19.1%
Portland	002100	1	YES	10	92.2%	875	949	58.6%	10.1%	17.5%
Portland	002100	2	YES	10	90.2%	838	929	58.6%	10.1%	17.5%
Portland	002100	3	YES	10	90.5%	536	592	58.6%	10.1%	17.5%
Portland	002100	4	YES	10	80.4%	459	571	58.6%	10.1%	17.5%
Portland	002300	1	YES	10	94.8%	680	717	66.1%	11.4%	17.9%
Portland	002300	2	YES	10	100.2%	1,167	1,165	66.1%	11.4%	17.9%
Portland	002300	3	YES	10	92.8%	684	737	66.1%	11.4%	17.9%
Smoketown - Shelby Park	006200	1	YES	10	97.8%	1,160	1,186	49.0%	8.5%	15.3%
Smoketown - Shelby Park	006200	2	YES	10	74.2%	914	1,232	49.0%	8.5%	15.3%
Smoketown - Shelby Park	006500	1	YES	9	76.4%	960	1,256	34.5%	6.1%	22.0%
Smoketown - Shelby Park	006500	2	YES	9	96.0%	740	771	34.5%	6.1%	22.0%
Smoketown - Shelby Park	006500	3	YES	9	90.2%	700	776	34.5%	6.1%	22.0%
Smoketown - Shelby Park	006500	4	YES	9	77.4%	480	620	34.5%	6.1%	22.0%
Newburg	011301	1	YES	9	76.1%	644	846	44.4%	7.7%	3.3%
Newburg	011301	2	NO	9	37.6%	245	652	44.4%	7.7%	3.3%
Newburg	011301	2	YES	9	100.0%	7	7	44.4%	7.7%	3.3%
Newburg	011301	3	YES	9	76.9%	714	929	44.4%	7.7%	3.3%
Newburg	011301	3	YES	9	102.0%	52	51	44.4%	7.7%	3.3%
Newburg	011404	1	YES	8	69.2%	853	1,233	38.7%	6.8%	1.9%
Newburg	011404	1	YES	8	81.9%	303	370	38.7%	6.8%	1.9%
Newburg	011404	2	YES	8	88.0%	1,684	1,913	38.7%	6.8%	1.9%
Newburg	011405	1	YES	8	85.2%	892	1,047	51.9%	9.0%	1.9%
Newburg	011405	2	YES	8	59.8%	635	1,062	51.9%	9.0%	1.9%
Newburg	011405	3	YES	8	63.2%	921	1,458	51.9%	9.0%	1.9%
Newburg	011405	4	YES	8	88.8%	818	921	51.9%	9.0%	1.9%
Newburg	011405	5	YES	8	77.7%	746	960	51.9%	9.0%	1.9%
Newburg	011406	1	YES	8	86.4%	816	944	32.2%	5.7%	2.4%
Newburg	011406	2	YES	8	75.5%	834	1,104	32.2%	5.7%	2.4%
Newburg	011406	3	YES	8	63.3%	909	1,437	32.2%	5.7%	2.4%
Park DuValle - Parkland	012701	1	YES	10	85.8%	598	697	48.2%	8.4%	11.6%
Park DuValle - Parkland	012701	1	YES	10	93.4%	296	317	48.2%	8.4%	11.6%
Park DuValle - Parkland	012701	2	YES	10	83.8%	392	468	48.2%	8.4%	11.6%
Park DuValle - Parkland	012701	2	YES	10	87.5%	412	471	48.2%	8.4%	11.6%
Park DuValle - Parkland	012701	3	YES	10	73.3%	1,305	1,781	48.2%	8.4%	11.6%
Park DuValle - Parkland	012701	3	YES	10	77.9%	247	317	48.2%	8.4%	11.6%
Park DuValle - Parkland	012801	1	YES	10	71.4%	25	35	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	1	YES	10	81.1%	922	1,137	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	1	YES	10	81.2%	225	277	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	2	NO	10	45.5%	15	33	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	2	YES	10	64.5%	324	502	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	2	YES	10	100.0%	51	51	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	3	YES	10	51.8%	127	245	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	3	YES	10	81.5%	411	504	62.1%	10.7%	5.7%
Park DuValle - Parkland	012801	4	YES	10	78.1%	540	691	62.1%	10.7%	5.7%

# EXHIBIT C – Park duValle Adjacent Areas

## Census Tract 10, Jefferson County, Kentucky



## Census Tract 127.01, Jefferson County, Kentucky

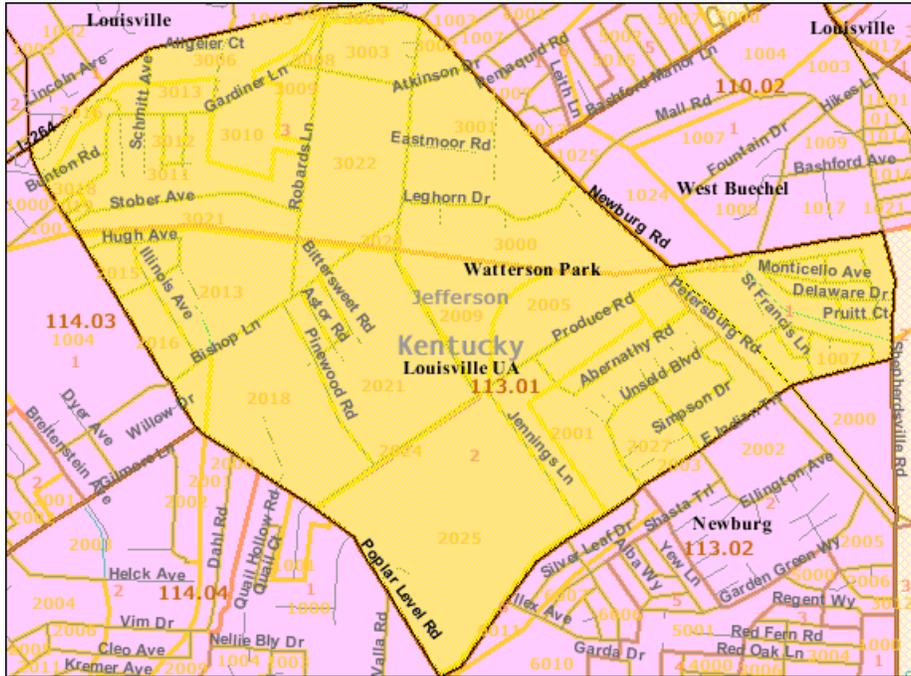




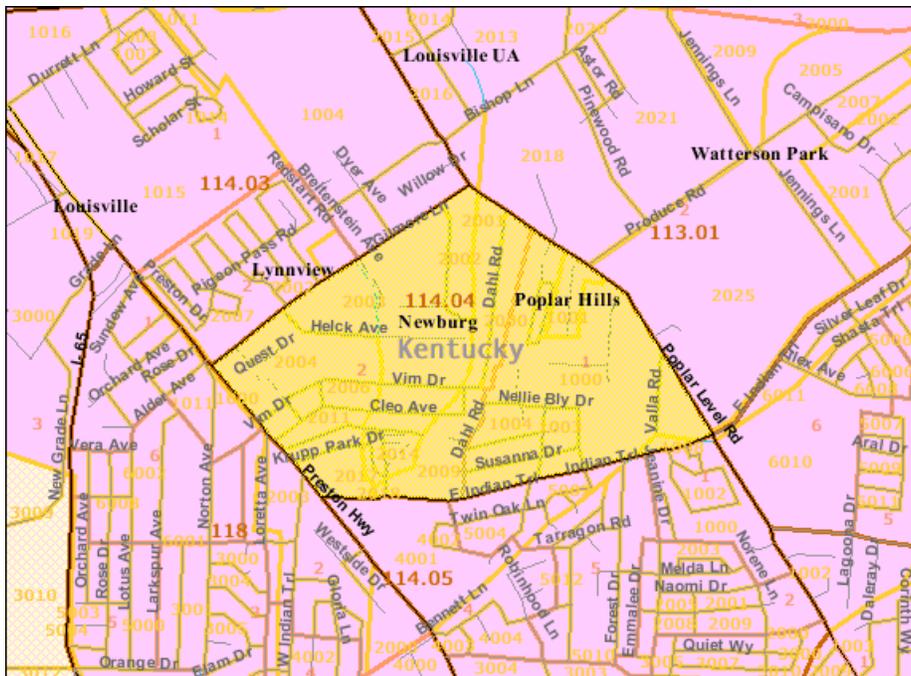


## EXHIBIT E - Newburg

Census Tract 113.01, Jefferson County, Kentucky

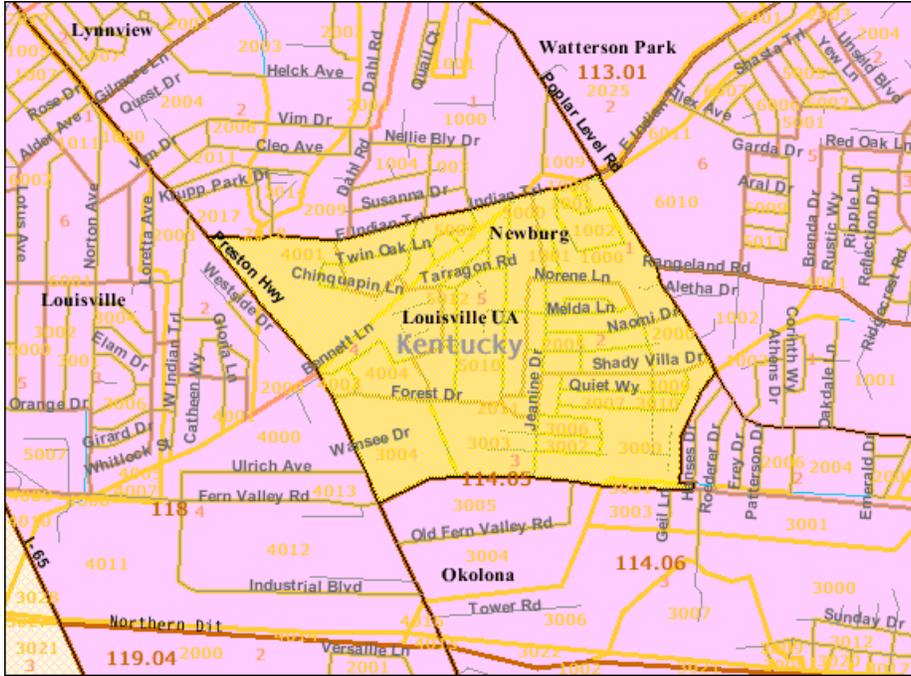


Census Tract 114.04, Jefferson County, Kentucky

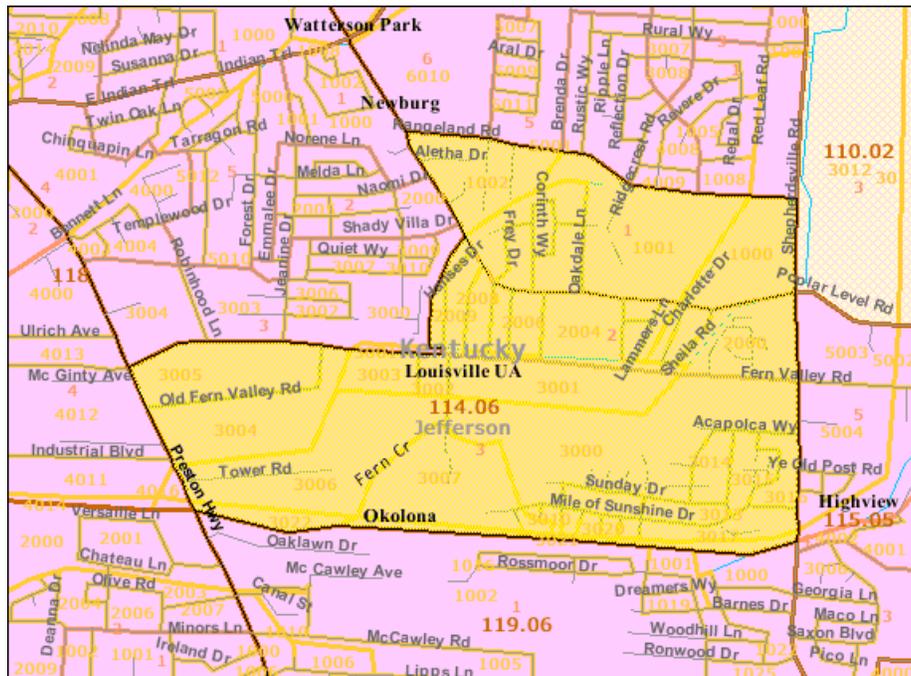


**EXHIBIT E (continued)**

**Census Tract 114.05, Jefferson County, Kentucky**



**Census Tract 114.06, Jefferson County, Kentucky**

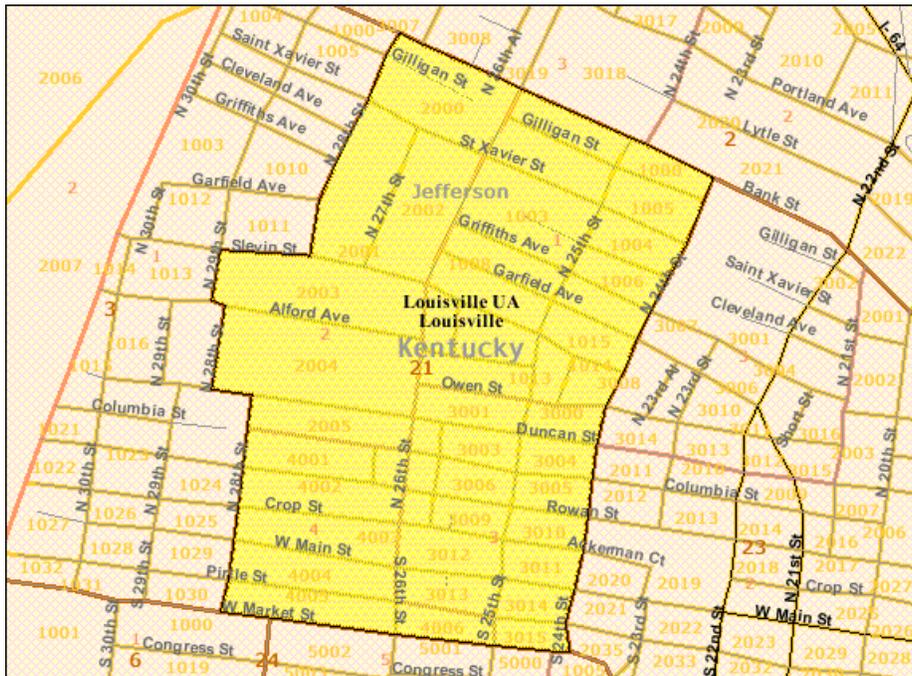


# EXHIBIT F - Portland

Census Tract 3, Jefferson County, Kentucky

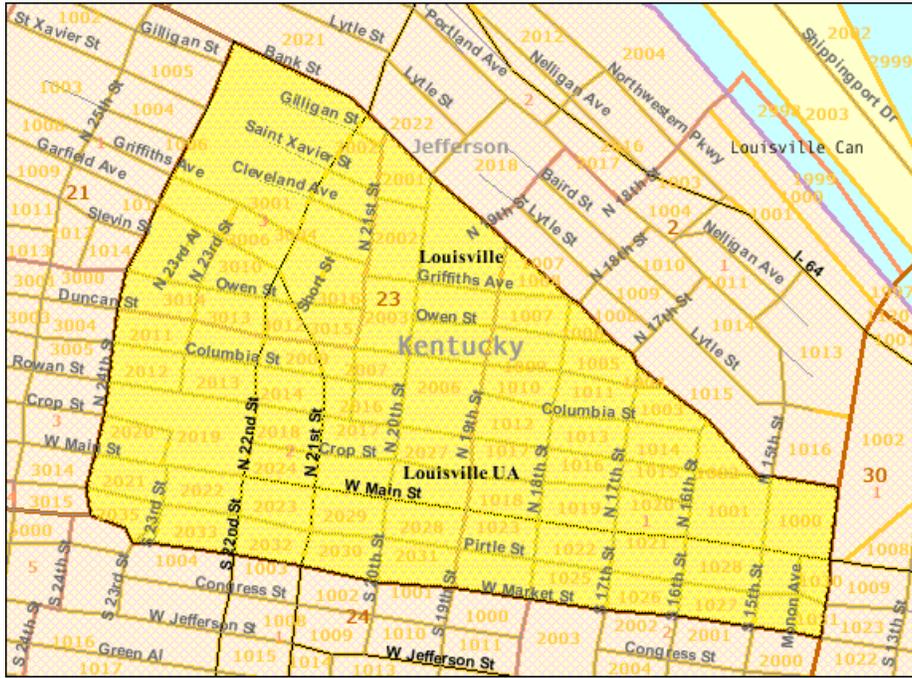


Census Tract 21, Jefferson County, Kentucky



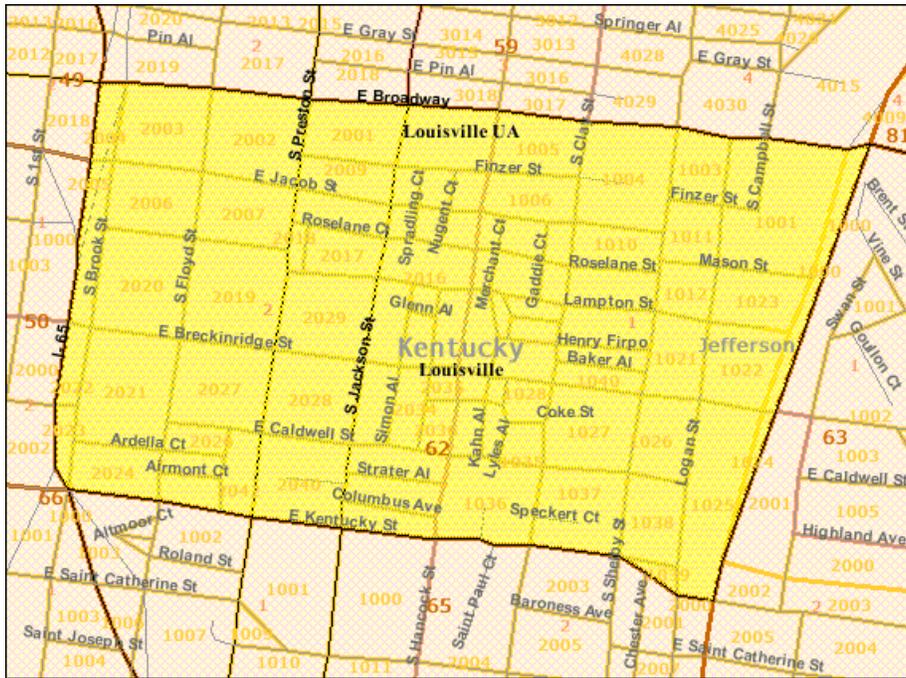
**EXHIBIT F (continued)**

Census Tract 23, Jefferson County, Kentucky

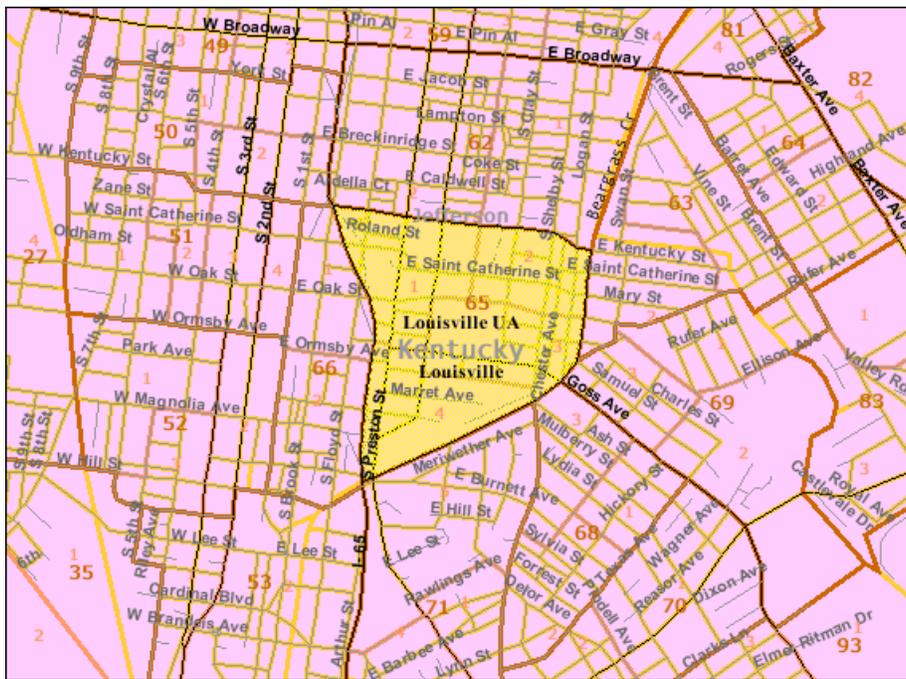


## EXHIBIT G – Smoketown/Shelby Park

Census Tract 62, Jefferson County, Kentucky



Census Tract 65, Jefferson County, Kentucky



## **EXHIBIT H – Public Comments**

1. Councilwoman Cheri Bryant Hamilton, Louisville Metro Council District 5 (November 5, 2008);
2. Rudy Davidson, President, Shawnee Neighborhood Association (November 11, 2008);
3. Michael L. Brooks, President, California Neighborhood Coalition, Inc. (November 25, 2008);
4. Sylvia Wright, Chair, Shawnee Weed and Seed Steering Committee & Rudy Davidson, Chair, Shawnee Neighborhood Association (November 25, 2008);
5. Mary Turner, Housing Committee and Debra Mercer, Chairperson-Portland Planning Task Force, Portland Now, Inc. (November 26, 2008);
6. Doug Magee, Program Manager, Nonprofit Housing Alliance (November 26, 2008);
7. Shanna Smith, President & CEO, National Fair Housing Alliance (December 6, 2008);
8. Kyle Hoylman, Kentucky Association of Radon Professionals (January 15, 2009).



## Louisville Metro Council

Cheri Bryant Hamilton  
District 5 Councilwoman

Myra Friend Ellis  
Legislative Assistant

TO: Bob French, Metro Housing & Family Services

FROM: Councilwoman Cheri Bryant Hamilton

DATE: November 5, 2008

RE: Neighborhood Stabilization Program

I am writing to request that the Shawnee neighborhood be one of the targeted neighborhoods under HUD's Neighborhood Stabilization Program. The Shawnee area is one of the targeted neighborhoods in Metro Housing's current 2009 Action Plan.

Recognition as a target area for the Neighborhood Stabilization program will help the Shawnee residents meet its goals of eliminating vacant and blighted structures, increased code enforcement by IPL and the rehabilitation and re-sale of vacant or foreclosed properties in the area for re-sale as single-family properties.

As Councilwoman for this neighborhood, I can attest that the Shawnee area census tracts identified in our Weed and Seed grant would benefit greatly from the strategies for neighborhood revitalization and stabilization under this grant. The Shawnee neighborhood was recently awarded designation as a Weed and Seed site by the U. S. Department of Justice effective October 1, 2008.

The Shawnee and Portland neighborhoods, which I represent, are two of several West Louisville neighborhoods that have a high number of foreclosures, high number of Section 8 units, high number of vacant lots, as well as vacant residential and commercial structures, and a high rate of poverty.

District 5 is ranked second in the number of households headed by women – 48%; and the 29% poverty rate is also the second highest out of all 26 Metro Council districts. A majority (67.3%) of the homes in the District were constructed prior to 1950 and do not have the insulation that newer homes in the metro area so their utility bills are higher. These older homes are less energy efficient and require more maintenance and upkeep than the income of the residents can comfortably afford to provide.

Many of the homes in the Shawnee neighborhood could benefit from a rehabilitation program that provides insulation, energy efficient appliances, roofing, lead removal, paint and accessibility for older or disabled residents.

Use of NSP funds in the Shawnee neighborhood will help prevent the further decline of this historic neighborhood and will further the many on-going efforts and goals of the Shawnee residents currently underway to stabilize this neighborhood. Some examples of active citizen participation include:

\*The successful wet/dry election in 2007 banned the sale of alcoholic beverages in four Shawnee precincts thanks to the efforts of hundreds of residents who voted and volunteered.

\*A new Shawnee Neighborhood Association formed in 2007 under the leadership of Rudy Davidson. The SNA divided the neighborhood geographically into 6 sectors with 2 representatives from each sector serving the board.

\*Drafting a new Shawnee Neighborhood Plan with residents and the Metro Planning and Design.

\*Working with Metro Economic Development to develop a West Market Street Corridor Improvement Study. Ten residents have agreed to serve on this advisory group including the president of the Shawnee Neighborhood Association, president of the Shawnee Business Association, president of the West Louisville Business Association, block watch captains, local business owners, Weed and Seed representatives, residents and Shawnee High School students.

\*Tony French, owner of French Plaza, organized a new Shawnee Business Association to work to maintain the PNC Bank branch in the neighborhood and work with current and potential business owners in the area to address their concerns.

\*In 2007, residents worked together to plan, draft and submit an application for Weed and Seed designation with the assistance of the Metro Department of Housing & Family Services. The community would be eligible to receive \$1 million over five years into the neighborhood. Even before notification that the grant was successful at \$175,000 for the first year, the residents, and service providers began working on 4 subcommittees to begin implementing the goals and strategies outlined in the grant.

The residents identified Neighborhood Economic and Image Development as one their top concerns for the "Seeding" of the Shawnee neighborhood. Bill Gatewood, a Shawnee resident, chairs the Weed & Seed Neighborhood Restoration subcommittee. The unmet needs prioritized by that committee to improve housing conditions in Shawnee mirror the goals of the Neighborhood Stabilization program; such as:

\*\*Assist community in purchasing and maintaining housing stock by identifying current home buyer assistance services, restoration resources and developing new programs.

\*\*Work more closely with IPL, Public Works, Metro Economic Development and Housing resources to develop creative reuse, rehabilitation or rebuilding plans.

1. Identify and promote existing programs that provide assistance in weatherization, maintenance and renovation, particularly for seniors.
2. Identify and map vacant and boarded properties both residential and commercial to determine ownership.
3. Work with IPL to hold owners accountable.
4. Work with the Dept. of Housing to develop restoration strategies for specific properties.

5. Create programs to reuse vacant commercial structures.
6. Establish program to assist maintaining housing stock (many first-time owners transitioning from public housing).
7. Report and respond to vacant and nuisance properties more quickly.

The Neighborhood Restoration sub-committee also consists of residents and representatives of agencies that are supporting the neighborhood's efforts to revitalize and stabilize the neighborhood: Metro Housing & Family Services; Louisville Urban League; West Louisville Business Association; Metro Department of Neighborhood; Metro Dept. of Economic Development; Metro Codes and Regulations; Metro Housing Resource Center; Shawnee Neighborhood Association; Louisville Metro Council and the University of Louisville.

This subcommittee mobilized with neighborhood volunteers to organize and participate in two clean-ups along mile-long sections of W. Market St., W. Muhammad Ali Blvd., and West Broadway. IPL representatives serve on the committee and identified over 130 addresses with property code violations. IPL sent inspectors to these sites and issued fines totaling nearly \$150,000.

The Shawnee area was described in a 2004 *The Courier-Journal* article excerpt as follows:

"When Omar and Florence Baird purchased their home on West Broadway in 1964, they were the only black family on their block. That wasn't the case for long. 'As soon as we moved in, 'For Sale' signs went up all over. I know it wasn't a good year or two before all the white people had moved out," Florence Baird said. The Shawnee neighborhood, with its large Victorian homes, well-manicured lawns and oak-shaded streets...was one of the more affluent neighborhoods in the city, but the wealthy began to leave in the 1930s and were replaced by middle-class families, many of whom worked at the old Ford truck factory...Later, many middle-class white families moved to other parts of the county when the area was integrated in the early 60s (and accelerated when the Open Housing Ordinance passed in 1967). The Shawnee area, which borders Shawnee Park, an Olmsted Park on the west...was primarily farms and dairy land until the early 1890s. Despite its pastoral beginnings, the Shawnee neighborhood of today is an urban community that labors under the lingering effects of "white flight." The area is burdened by isolation, economic atrophy, reduced property values, low levels of education, poverty and extremely high crime rates, leading one-time resident to observe at a recent community forum, "It used to be a heaven; now it's a hell."

Designation for funding under the Neighborhood Stabilization program would help the on-going efforts of the Shawnee community to re-claim and revitalize our neighborhood.

Thank you.



To: Robert French, Director Housing Division

From: Rudy Davidson, President Shawnee Neighborhood Association

Date: November 11, 2008

Re: Neighborhood Stabilization Program

I am writing on behalf of the Shawnee Neighborhood Association to request that the Shawnee neighborhood be a targeted neighborhood under HUD's Neighborhood Stabilization Program.

Recently the Shawnee neighborhood has organized to address the many issues facing our community. Over the past year we have successfully banned the sale of alcohol in four Shawnee precincts and most recently received a ruling by the Stat ABC Board to deny a liquor license to open another liquor store in our neighborhood. According to Louisville Metro Police statistics there has been a decline 40% decline in crime in those precincts. This has signaled to residents that we can make a difference and have organized to continue to make a difference in the neighborhood.

In late 2007 the Shawnee Neighborhood Association was organized to promote, foster and carry out programs, projects and activities to improve the quality of life in all aspects of the community. The Shawnee neighborhood is bounded by I – 264 on the East, Broadway on the South, Bank Street on the North and the Ohio River on the West. There are an estimated 13,603 residents and 7,234 housing units within these boundaries.

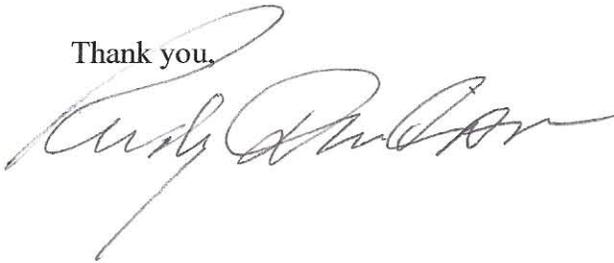
The Association has been incorporated as a 501C3 organization and even though a new association has made some accomplishments:

- Conducted a community health fair in partnership with the Norton Health Care Institute.
- Collaborated with the Shawnee Business Association and the neighborhood branch PNC Bank to increase deposits.
- Worked with the Weed and Seed program to increase block watch clubs.
- Worked with faith based organizations to develop health care facility in the neighborhood.
- Started a Tai Chi class in the neighborhood for seniors.
- Sponsored two annual neighborhood clean ups with the metro Department of Neighborhoods.
- Started a quarterly newsletter for members in the association.
- Worked with Shawnee High School student career pathway program.
- Worked with IPL to identify nuisance properties.
- Worked with the Metro Economic Development to develop the Market Street Improvement Study.

- Worked with the Olmstead parks Conservancy for improvements in Shawnee Park.
- Worked with the Fuller Center for Housing to help rehab vacant housing.

The Shawnee Neighborhood Association is committed to continue making an effort to improve our neighborhood. There are still many obstacles to overcome. The neighborhood has a 9.3% housing vacancy rate compared to the county vacancy rate of 6.2 %. The Louisville Housing Authority reports that 24% of Shawnee's renter – occupied units house section 8 tenants. The housing stock is deteriorating and has need for increased maintenance. Many single family owned homes are being turned into rental units. The aging neighborhood housing stock is leading the way for further decline in the neighborhoods. The association respectfully request to be designated for funding under the Neighborhood Stabilization program to support our ongoing efforts to revitalize and prevent further decline in our community.

Thank you,

A handwritten signature in black ink, appearing to read "Andy Anderson", written over the "Thank you," text.

# CALIFORNIA NEIGHBORHOOD COALITION Incorporated

[www.neighborhoodlink.com/louisville/califcoalition](http://www.neighborhoodlink.com/louisville/califcoalition)

P.O. Box 1205 \* Louisville, KY 40201-1205 \* 502-594-5054 \* 587-6191

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November 25, 2008

*In Memoriam*  
**Helen E. Phillips (1916-2007)**

Mr. Robert French  
Director  
Louisville Metro Housing & Family Services  
745 West Main Street – Third Floor  
Louisville, Kentucky 40202

Dear Mr. French:

It is our pleasure to respond as part of the public comment process related to the *Neighborhood Stabilization Plan*, as published on the Louisville Metro web site. We commend the Department of Housing and Family Services for its quick reaction to this resource from the United States Department of Housing and Urban Development, and we wish to advance the inclusion of one more neighborhood for consideration—California! We have reviewed the criteria for inclusion and wish to make the following observations:

California, as one of the Making Connections Louisville neighborhoods, has benefitted from extensive resident commentary and this informs our plans. Notably, the Community Foundation of Louisville has just announced a remarkable gift to the California Collaborative, a leadership group including the California Neighborhood Coalition, The California Federation, Brown-Forman Corporation, Heaven Hill Distilleries, Saint William Church, and such agencies as New Directions Housing Corporation, Habitat for Humanity of Metro Louisville, Kentucky Center for the Arts ArtsReach Program, YouthBuild Louisville, and Breaking New Grounds. Our plan is inclusive of rehabilitation, repair and reuse of vacant properties.

The Park Hill Corridor Industrial Revitalization Plan, has, since 2002, involved residents, industry, congregations and other stakeholders in the creative reuse of diverse properties—1,148 acres to be precise. Thanks to the leadership of Bruce Traugber, Director of the Louisville Metro Department of Economic Development, our plans for a vivid revitalization are nearing completion. The *Neighborhood Stabilization Plan*, as a resource, would be a perfect complement.

*Community Empowerment Through Community Involvement*

Mr. Robert French  
November 25, 2008  
Page 2

Our neighborhood assets are amazing. California is host to the historic Simmons College, and to Lyman T. Johnson Traditional Middle School, Milburn T. Maupin Elementary School, and Phillis Wheatley Elementary School. We are a neighborhood of parks, including California Park, located at 16<sup>th</sup> and West St. Catherine Streets, and our Olmstead Park, Victory Park, located at 23<sup>rd</sup> and West Kentucky Streets. Of course, one of Kentucky's largest congregations in our area is the St. Stephen Baptist Church, located at 1018 South 15<sup>th</sup> Street; the spiritual heart of the California Neighborhood is soon to experience growth via campus expansion.

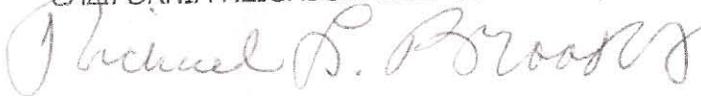
Our housing accomplishments are beginning to add up. Brandeis Apartments is a \$5 million Low Income Housing Tax community, co-located with the Saint Benedict Early Childhood Development Center. This development, for its time, was considered a national best practice. In early 2009, we are pleased to announce that Saint William Apartments will undergo a \$3 million LIHTC renovation. California Square, including the seniors' apartments and the California Square II Apartments, also provide safe shelter in our community.

We work closely with Louisville Metro Department of Inspections, Permits & Licenses, Louisville Metro Housing and Family Services, and of course, both our local police and fire districts. Major Yvette Gentry, LMPD, is well aware of our neighborhood assets and challenges, including the hundreds of vacant and foreclosed homes that, with your help, could easily accommodate newly recruited homeowners.

Those of us who live, work and worship in the California Neighborhood, urge you to consider the inclusion of our neighborhood into the *Neighborhood Stabilization Plan*.

Sincerely,

CALIFORNIA NEIGHBORHOOD COALITION, INC.



Mr. Michael L. Brooks  
President

Cc: Bruce Traugher, Louisville Metro Department of Economic Development  
Robbie M. Bell, President, California Federation, Inc.  
Joseph Gliessner, New Directions Housing Corporation  
Lisa Thompson, New Directions Housing Corporation  
The California Collaborative

**CALIFORNIA NEIGHBORHOOD COALITION, INC.**  
P.O. Box 1205 \* Louisville, KY 40201-1205 \* 502-594-5054 \* 502-561-0854

Shawnee



November 25, 2008

Robert French, Director Housing Division  
Dept. of Housing & Family Services  
745 West Main Street, Third Floor Louisville, KY 40202

Cc: Jeana Dunlap, NSP Project Coordinator

**Re: NEIGHBORHOOD STABILIZATION PROGRAM (NSP) AMENDMENT TO THE CONSOLIDATED PLAN AND 2008 ACTION PLAN**

Dear Mr. French,

Please find herein, a formal written comment from the Shawnee Neighborhood Weed and Seed Steering Committee and the Shawnee Neighborhood Association in response to Louisville Metro's proposed Neighborhood Stabilization Program (NSP) Amendment, as is posted for review and comment during the period November 8 to 26, 2008.

As you may know, the Shawnee Neighborhood, located in west Louisville, is designated by the U.S. Department of Justice, Office of Justice Programs, as a "Weed and Seed" community. This designation resulted from strong, on-going community involvement and award of a competitive grant that proposes to deploy comprehensive neighborhood improvement strategies in the Shawnee area. Included in our neighborhood restoration plans are: renovation of housing stock, increased community-oriented policing, clean-up and beautification projects, creation of new neighborhood/block watch groups, and much more. A copy of our Weed and Seed Site Summary is attached.

Our Committee is pleased to know that the draft NSP includes Shawnee, including parts of census tracts 4 and 7, among the economically distressed neighborhoods targeted to address high incidents of vacant and foreclosed properties.

Members of our Committee recently conducted a visual survey of census tracts 3, 4 and 7 to assess whether there might be a preferable target area (i.e., a block or set of blocks) within these tracts. As a result of this survey, and our general familiarity of the area, our Committee recommends that the NSP be focused to blocks that lie within the area bounded by 34<sup>th</sup> Street (east), Muhammad Ali (south), 42<sup>nd</sup> Street (west), and Bank Street (north). This area includes portions of census tracts 3, 4 and 7; and, it represents parts of both the Portland and Shawnee neighborhoods.

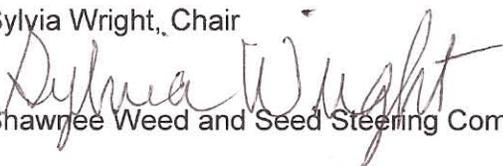
Shawnee Weed and Seed  
Northwest Neighborhood Place at Shawnee High School  
4018 West Market Street, Louisville KY 40212

This target area satisfies most of the selection criteria set forth in the NSP, as follows:

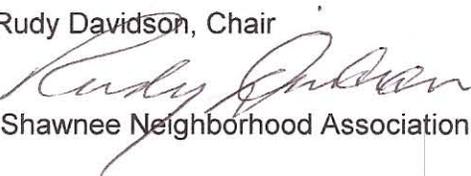
- Existing Neighborhood Plan or infrastructure plan (***Shawnee Weed and Seed Site Summary and Two-Year Strategic Plan copies attached***);
- Existing neighborhood involvement, e.g. Block Watches, Weed and Seed (***Shawnee Weed and Seed Steering Committee convenes regularly to plan implementation strategies***);
  - Potential economic development corridors, which create or could create jobs (***key commercial corridors, which include grocers, banks, child care centers, restaurants, and other establishments are located along Market Street and Bank Street, which border this area***);
  - Neighborhood assets and amenities, e.g. parks, playgrounds, schools (***Jewell Park, Shawnee Boys and Girls Club, Shawnee High School, and several churches are situated within or adjacent to this area***);
- Information from Metro Call, e.g. police and fire activity (***data to be reviewed***);
- Owner-occupancy rate and trends; assisted rental information, e.g. housing tax credit units (***data to be reviewed***);
- Vacancy rate, from the Department of Inspections, Permits and Licenses (***approximately 70 vacant housing units were identified during the survey conducted by our Committee***);
- Foreclosure information from the Metro 211 program (***data to be reviewed***);
- Housing value trends from the Property Valuation Administrator (***data to be reviewed***);
- Proximity of public transportation (***Market Street and Bank Street are on the TARC bus route***).

Respectfully submitted on behalf of Shawnee Weed and Seed Steering Committee, and the Shawnee Neighborhood Association,

Sylvia Wright, Chair

  
Shawnee Weed and Seed Steering Committee

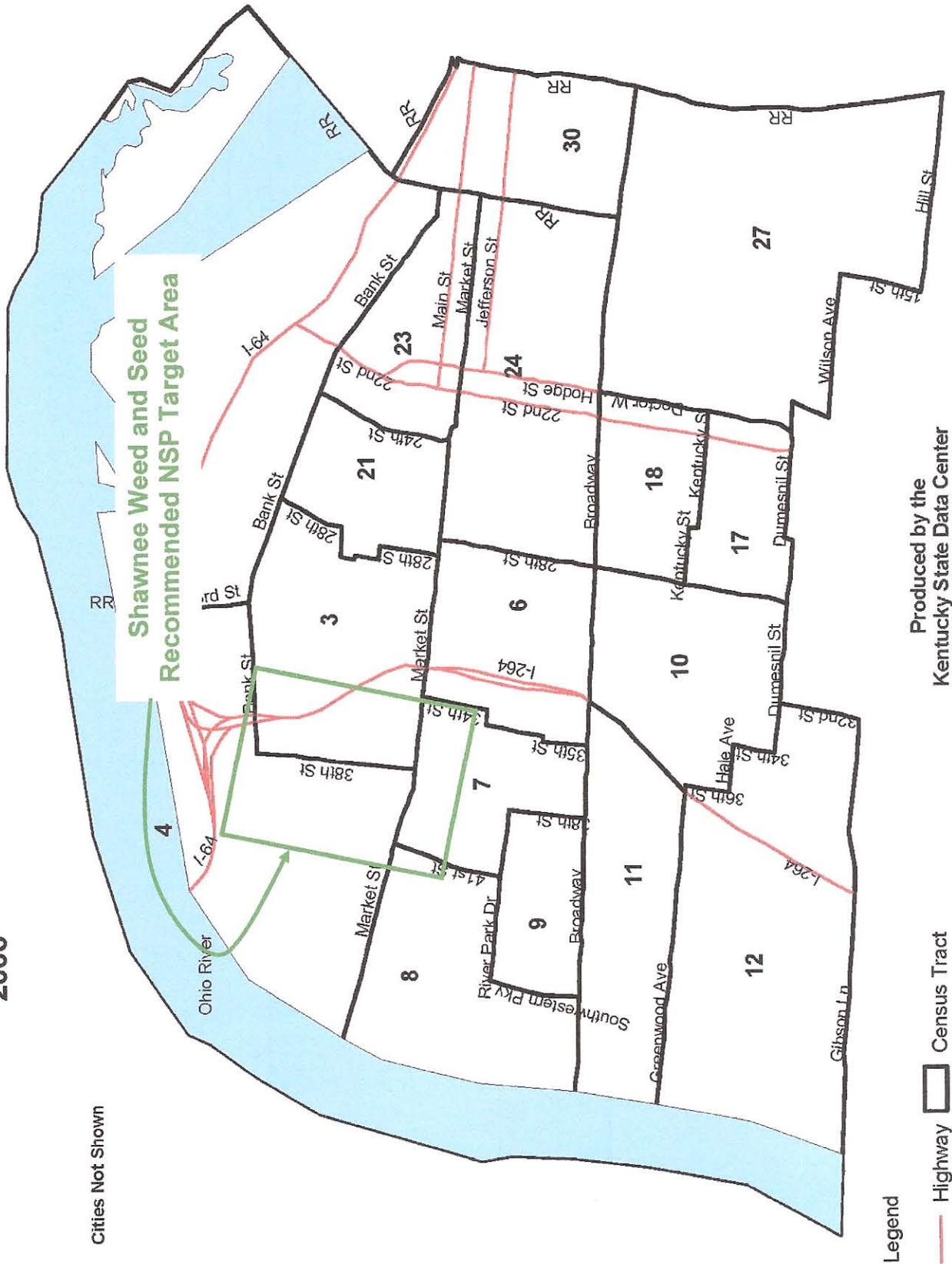
Rudy Davidson, Chair

  
Shawnee Neighborhood Association

Shawnee Weed and Seed  
Northwest Neighborhood Place at Shawnee High School  
4018 West Market Street, Louisville KY 40212

# Jefferson County Census Tracts - Page 1 2000

Cities Not Shown



Legend

— Highway □ Census Tract

Produced by the  
Kentucky State Data Center

David Worrall, President  
Debra Mercer, Planning Task Force  
Phone # 719-8927

Portland Now, Inc  
"The Voice of Portland"

c/o 2308 Portland Avenue  
Louisville, KY 40212  
[portlandnowinc@yahoo.com](mailto:portlandnowinc@yahoo.com)

November 26, 2008

Mr. Bob French  
City of Louisville  
Department of Housing and Family Services  
745 West Main Street  
Louisville, KY 40202

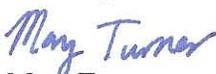
Dear Mr. French:

The Portland neighborhood with its many amenities located just west of downtown Louisville is a prime candidate for the Neighborhood Stabilization Program. Portland offers architecturally distinct, single family homes with yards for recreation. The River Walk is within easy access, as is I-64. Community members are active in the development of the neighborhood and many have taken workshops to enable them to research the many historic structures located in Portland. Two areas in Portland have been designated as Historic and the remainder of the neighborhood is eligible for designation. In 2006 Portland received national recognition as a "Preserve America Community," a White House initiative by First Lady Laura Bush. Portland's small town flavor offers homes that are inexpensive and can be purchased for very little cost per square foot. Portland completed a Neighborhood Plan in 2007 that has been approved by Metro Council. A resolution has also passed Metro Council in October 2008 to move forward with the zoning changes recommended by the plan.

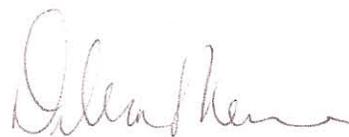
According to Metro Louisville's IPL Department, Portland has approximately 4000 homes, and 589 of those are listed as vacant for various reasons. Of those vacancies, two-thirds are located in the three Census Tracts of 3, 21 and 23. A quick scan by our neighborhood Housing Committee identified significant opportunities along the main corridors that would add visible, concentrated impact for some of our best examples of early 20<sup>th</sup> century homes. Others are located in Census Tract 2, with many fine candidates along Portland Avenue and a small portion in Census Tract 4, where Portland and Shawnee overlap boundaries.

The NSP would be of benefit to the Portland neighborhood by creating a program to improve the current housing stock, while working with community members to keep our housing costs affordable. It complements the Portland Plan. We can help the program find families that are currently renting, and afford them the opportunity to purchase a home and in turn create an investment in the neighborhood. With homeownership comes responsibility for not only your home but also the area where your home is located. This helps improve the cleanliness of a neighborhood and lowers the crime rate.

Thank you for this opportunity.  
Sincerely,



Mary Turner  
for the Housing Committee  
Portland Now, Inc.



Debra Mercer  
Chairperson, Portland Planning Task Force  
Portland Now, Inc.



Metropolitan  
Housing  
Coalition

P.O. Box 4533  
Louisville, KY 40204-4533  
[www.metropolitanhousing.org](http://www.metropolitanhousing.org)

502-584-6858  
502-452-6718 FAX

November 26, 2008

Bob French  
Director  
Housing Division  
Department of Housing and Family Services  
745 West Main Street, Third Floor  
Louisville, Kentucky 40202

RE: Neighborhood Stabilization Program

Dear Bob,

I am sending the following comments of the vacant property action committee that has been meeting for over a year on the issue of vacant properties in the Louisville region.

We, the members of the vacant property action committee have considered and recommend as follows.

As part of the Louisville Metro Government Neighborhood Stabilization Plan, we understand and support the need for submitting selected neighborhood/census areas to HUD as neighborhood target areas. We also are aware these neighborhoods could be narrowed further by amendment once the Program begins. We support the thoughts behind this prioritization. However, we do caution against making all federal money for housing and community development restricted to those neighborhoods listed in the draft NSP plan. Those five NSP neighborhoods are in and around Park DuValle, Shawnee, Newburg, Portland and Smoketown/Shelby Park.

We supported the 2008 and 2009 Action Plans when they listed the following neighborhoods as the target areas, Shawnee, Chickasaw, California (2009 only), Shagbark/Shanks Lane, Smoketown, Shelby Park, Newburg (2008 only), Oakdale, Phoenix Hill, and Portland. We understand that the 2008 Action Plan is being amended by this Plan in order to add the five neighborhoods listed above for purposes related to the Neighborhood Stabilization Plan.

We recommend that currently targeted neighborhoods for federal money for housing and community development funds (CDBG, HOME Investment Partnerships, HOPWA and Emergency Shelter Grants) continue to be included in the 2008 and 2009 Action Plans.

We believe that much good work has been begun in these neighborhoods and to continue targeting these neighborhoods for some of the federal funds would maintain a certain level of commitment, continuity, and motivation in those neighborhoods. Otherwise, we will see a decline in some of these areas.

We represent the following neighborhoods, their neighborhood associations and other listed nonprofit organizations: Smoketown, Shelby Park, Shawnee, Chickasaw, Phoenix Hill, Portland, Irish Hill, Tyler Park, Old Louisville, Clifton, California, Metropolitan Housing Coalition, Nonprofit Housing Alliance, River City Housing and Portland Promise Center. Several more groups were not able to confirm their participation in support of this letter before the deadline.

We are building partnerships among neighborhoods associations, for -and non-profit developers and Louisville Metro. We are actively seeking solutions and are positioned to be involved at all levels of policy discussion, policymaking and problem-solving.

A metaphor supported by the members of this group is as follows: while in some areas of the city, the neighborhood stabilization plan will fix the leaks and get the ship higher in the water, in other areas, we recommend continuing with the pumps to avoid the ship from sinking there. Thank you for the opportunity to comment.

For the vacant property action committee,



Doug Magee  
Program Manager  
Nonprofit Housing Alliance

December 6, 2008

Mayor Jerry Abramson  
Metro Hall/ 4th Floor  
527 W. Jefferson Street  
Louisville, KY 40202

**Re: Obligation of NSP Grantees to Affirmatively Further Fair Housing**

Mayor Jerry Abramson:

I am writing on behalf of the National Fair Housing Alliance to bring your attention to an important component of the Neighborhood Stabilization Program (NSP), a program created under Title III of the Housing and Economic Recovery Act of 2008 to allow states and communities to acquire foreclosed homes for redevelopment or rehabilitation. As you are well aware, NSP funds flow through the Department of Housing and Urban Development's Community Development Block Grant (CDBG) program, a program that contains a regulatory requirement that its funds be spent in ways that *affirmatively further fair housing*. As you await approval from HUD for your action plan substantial amendment, I encourage you to evaluate how your plan redresses past discrimination, encourages future inclusion, is nondiscriminatory, incorporates the principles of integration and overcomes the effects or conditions that have kept your community from being open to all members of protected classes under the Fair Housing Act.

Our current economic crisis was spurred by abusive subprime lending that targeted vulnerable communities of color and the elderly. As such, housing foreclosures have had a disproportionate impact on African-Americans and Latinos and other traditionally underserved communities. People in communities of color have lost billions of dollars in home equity, and today are losing their homes on a massive scale. By allowing states and cities across the country to acquire foreclosed homes for redevelopment, rehabilitation or demolition, the Neighborhood Stabilization Program is an opportunity for jurisdictions to curb the destructive community-wide impact of foreclosures on property values and tax base. It is also an opportunity to promote racially and economically integrated communities that can shield against targeted abusive lending and discriminatory housing practices.

According to section 104(b)(2) of Title I of the Housing and Community Development Act of 1974 as amended, CDBG grantees are required to "affirmatively further fair housing." In the late 1980s, HUD issued CDBG regulations that specifically mention the Analysis of Impediments to Fair Housing Choice in Section 570.904(c)(1). These regulations assert that simply conducting an Analysis does not constitute a fair housing action in and of itself; actions must be undertaken to address the impediments identified. Yet, few CDBG recipients have funded actions to eliminate the impediments. In a 1988 memo, HUD also stated that "where [fair



housing] organizations exist, it is unlikely that a CDBG community can find a better means of furthering fair housing, and we strongly encourage you to work with and support these groups.”

Because NSP funds flow through the CDBG program, NSP grantees are required to affirmatively further fair housing, whether through programs to address fair housing concerns or funding to sub-recipients who agree to affirmatively further fair housing. There are a number of ways to promote integration, including but certainly not limited to: targeting housing rehabilitation and redevelopment in neighborhoods of high opportunity with respect to jobs, schools and transportation; creating housing in all neighborhoods that is accessible to people in wheelchairs or with other mobility limitations ; creating subsidized/affordable housing in all neighborhoods; removing regulatory barriers to the creation of affordable housing; withholding funds from sub-recipients or jurisdictions that cannot prove they are affirmatively furthering fair housing; evaluating the fair housing record of communities receiving NSP money; and establishing fair housing marketing plans that encourage potential homebuyers to seek out housing opportunities in neighborhoods they may be unlikely to consider on their own

Now is an opportune time to examine your Analysis of Impediments to Fair Housing Choice and its assessment of housing opportunity and levels of segregation in your community. AIs should accurately reflect your community’s needs, describe strategies to improve fair housing compliance, implement strategies and be followed and updated at least every five years. In particular, I encourage you to assess whether members of protected classes under the Fair Housing Act have been disproportionately affected by abusive lending practices and subsequent foreclosures, and establish policies and programs that enable those residents to become homeowners once again.<sup>1</sup> I also urge you to analyze your Consolidated Plan for how it addresses and eliminates impediments to fair housing. Your degree of dedication and commitment to this issue is crucial to ensuring that NSP funds provide housing stability to your community while precluding a re-segregation of residential living patterns.

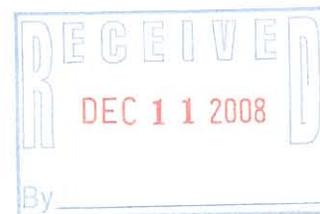
The National Fair Housing Alliance (NFHA) is the only national organization dedicated solely to ending discrimination in housing. NFHA works to eliminate housing discrimination and to ensure equal housing opportunity for all people through leadership, education and outreach, membership services, public policy initiatives, advocacy and enforcement.

Please feel free to contact me or NFHA’s Director of Public Policy Deidre Swesnik if you have any questions or wish to discuss this matter in more detail.

Sincerely,



Shanna Smith  
President & CEO



<sup>1</sup> The Fair Housing Act prohibits housing discrimination on the basis of race, color, national origin, sex, religion, familial status and disability.



**Kentucky Association  
of Radon Professionals**

January 15, 2009

Robert French  
Director of Housing, Louisville Metro Government  
Department of Housing and Family Services  
745 West Main Street, Suite 300  
Louisville, KY 40202

Dear Robert:

On behalf of the Kentucky Association of Radon Professionals, I am writing in regards to HUD's Neighborhood Stabilization Program (NSP) and your plans for administering the nearly \$7 million dollars Louisville will receive to acquire and redevelop foreclosed properties that might otherwise become sources for abandonment and blight within our community. Virginia Peck suggested that you would be the contact person for Metro Louisville.

As I'm sure you're aware, the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 requires HUD to develop an effective departmental policy for dealing with radon contamination to ensure that occupants of HUD housing covered under the Act are not exposed to hazardous levels of radon. You may not be aware, however, that nearly 50% of all homes in Louisville test above the Environmental Protection Agency action level for fixing a radon problem. For this reason, I am writing to urge you to require all homes acquired under the NSP be tested for radon and fixed when an elevated level is found to be present.

Providing a healthy indoor air environment is an important public safety issue that I'm sure your office will take into consideration when it makes its allocations under this important program. Furthermore, I respectfully request a response in regards to your decision on whether to allocate funds for radon testing and mitigation.

If I can be of assistance in providing resources or expertise, please don't hesitate to contact me.

Best Regards,

Kyle Hoylman

## CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds ≤ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such

assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.

\_\_\_\_\_  
Signature/Authorized Official

12-1-2008  
Date

\_\_\_\_\_  
Title

Mayor