



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL

FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

DATE: MAY 7, 2012

SUBJECT: Request Council authorization to execute Development Agreement with Fayette County Local Development Corporation, conveying properties acquired by the LFUCG under the Neighborhood Stabilization Program

On June 25, 2009 (Ordinance No. 123-2009), Council approved the acceptance of federal funds from the Kentucky Department for Local Government under the Neighborhood Stabilization Program for operation of a Land banking project. This included the acquisition, disposal, and maintenance of distressed homes and demolition of blighted structures. The source of funds was the U.S. Department of Housing and Urban Development. Funds for this program were appropriated by Congress in the Housing and Economic Recovery Act of 2008.

In October 2011, the Division of Grants and Special Programs issued a request for applications from entities interested in new construction and rehabilitation of existing single family residential units in low-income census tracts for rental and homeownership for low- and moderate-income households. Fayette County Local Development Corporation (Lexington-Fayette County Urban League) expressed an interest in acquiring two of the properties for construction for rental housing units for low-income households. These properties are located at 440 and 445 Chestnut Street. Properties will be conveyed to Fayette County Local Development Corporation for as low as \$1.00; however, the Kentucky Department for Local Government ultimately determines sales prices for properties. All net proceeds from sale of properties must be returned to the Kentucky Department for Local Government.

Council authorization to execute Development Agreement and to convey two properties located at 440 and 445 Chestnut Street to Fayette County Local Development Corporation is hereby requested.


Irene Gooding, Director

Xc: Richard Moloney, Chief Administrative Officer

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