




TO: Linda Gorton, Mayor
Urban County Council

FROM: 
Geoff Reed, Commissioner, General Services

CC: Jamshid Baradaran, Director Facilities & Fleet Management
Sandra Lopez, Administrative Office Senior, General Services

DATE: April 24, 2019

SUBJECT: Authorization to approve the declaration of surplus for the property located at 913 Georgetown Street, and to convey ownership of property to Community Action Council.

Request:

Request Council authorization to approve for property owned by LFUCG, located at 913 Georgetown Street, to declare the property as surplus, and to convey ownership of the property to Community Action Council.

Why are you requesting:

Community Action Council (CAC) has been designated as the community action agency for Fayette County as defined by the Economic Opportunity Act of 1964 and the Community Service Block Grant Act of 1981 and KRS 273.410. CAC plays a vital role in the collaborative effort to prevent, reduce and eliminate poverty in Lexington-Fayette County. Lexington-Fayette Urban County Government (LFUCG), is interested in transferring the property at 913 Georgetown Street, valued at \$1,150,000.00, to CAC at no cost. Community Development Block Grant (CDBG) funds were used to purchase the property, therefore LFUCG will be required by law to place some conditions on the transfer of the property to CAC.

In order to accept the property, CAC will be required to sign a Subrecipient Agreement with LFUCG stating that CAC will continue using the property for eligible activities in the CDBG programs, as outlined in Section 570.201 of the Code of Federal Regulations and that the activities will be permitted and follow any requirements of the Zoning Ordinance of the



Lexington-Fayette Urban County Government. The Agreement will require that if CAC ever changes the use of the property to a non-eligible purpose or if CAC ever sells the property, then CAC will be required to repay the Community Development Block Grant program the current fair market value of the property, less the value of any improvements made to the property with other funds. This process is outlined in Section 570.505 of the Code of Federal Regulations.

As of January 22, 2018 LFUCG proposed to transfer the property located at 913 Georgetown Street to CAC. Community Action Council and its Board of Directors accepted the transfer of property to continue conducting activities and programs at this location.

What is the cost in the budget year and future years?

No financial impact to LFUCG.

Are the funds budgeted? NA

Director/Commissioner: Jamshid Baradaran/Geoff Reed

