

RESOLUTION NO. 320-2013

A RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR, ON BEHALF OF THE URBAN COUNTY GOVERNMENT, TO EXECUTE A HOME AGREEMENT WITH DAVIS PARK VIEW, LLLP, FOR USE OF FEDERAL HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS FOR THE DEVELOPMENT OF RENTAL HOUSING FOR THE HOUSEHOLDS DISPLACED BY THE NEWTOWN PIKE EXTENSION PROJECT, AT A COST NOT TO EXCEED \$627,138.00.

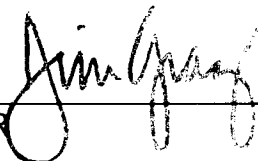
BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is authorized and directed to execute the HOME agreement, which is attached hereto and incorporated herein by reference, with Davis Park View, LLLP, for use of Federal Home Investment Partnerships Program Funds for construction of rental housing for low-income households who have been permanently displaced by the Newtown Pike Extension Project.

Section 2 - That an amount, not to exceed the sum of \$627,138.00, be and hereby is approved for payment to Davis Park View, LLLP, from account #3120-900251-71101, pursuant to the terms of the HOME agreement.

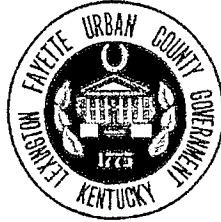
Section 3 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: June 20, 2013


MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL



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 24, 2013

**SUBJECT: REQUEST COUNCIL AUTHORIZATION TO EXECUTE HOME
AGREEMENT WITH DAVIS PARK VIEW, LLLP. FOR USE OF
FEDERAL HOME INVESTMENT PARTNERSHIPS PROGRAM
FUNDS IN THE AMOUNT OF \$627,138 FOR CONSTRUCTION
OF RENTAL HOUSING PROJECT IN THE NEWTOWN PIKE
EXTENSION AREA**

The Lexington-Fayette Urban County Government's approved Consolidated Plans from years 2010, 2011, and 2012 provide for the use of federal HOME Investment Partnerships Program funds for the development of rental housing for low-income households who have been permanently displaced by the Newtown Pike Extension Project. The Environmental Impact Statement made a finding of environmental justice requiring that efforts be made to mitigate the effects of the Newtown Pike Extension Project on the low-income residents of the project area. The Record of Decision provided for mitigation that included the formation of a Community Land Trust in the area and the new construction of affordable rental housing in the area so that affected residents can remain permanently.

The total estimated cost of the housing redevelopment is \$2,342,966. Sources of funds are: Low-Income Housing Tax Credit equity in the amount of \$1,715,828, and HOME funds in the amount of \$627,138. The Kentucky Transportation Cabinet is supporting the costs of land and new infrastructure.

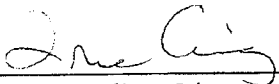
HOME funds will be loaned to Davis Park View, LLLP in the form of a Deferred Payment Loan for the term of twenty (20) years. The Deferred Payment Loan shall be at zero percent (0%) interest for the duration of the loan, with no repayment of principal, unless an event of default occurs prior to the maturity date. During this term, the organization is required to rent to income eligible persons at affordable rents as determined by the U.S. Department of Housing and Urban Development.

H O R S E C A P I T A L O F T H E W O R L D

Budget amendments are in process providing the following funds for the project:

FUND	DEPT ID	SECT	ACCOUNT	ACTIVITY	PROJECT	BUD REF	AMOUNT
3120	900251	0001	71101	H03	HOME 2010	2010	\$65,478
3120	900251	0001	71101	H03	HOME 2012	2012	\$319,660
3120	900251	0001	71101	H03	HOME 2013	2013	\$242,000

Council authorization to execute HOME Agreement with Davis Park View, LLLP, is hereby requested.



Irene Gooding, Director

Xc: Sally Hamilton, Chief Administrative Officer