



## 2013 MHC Annual Meeting "Taking Action. Creating Change"

The 24<sup>th</sup> annual MHC Annual Meeting, held on June 4<sup>th</sup> at the Hyatt Regency Louisville, was another great success thanks to our community and supporters. Nearly 300 coalition members gathered to hear Kentucky Attorney General Jack Conway discuss his office's work on housing foreclosures, the nationwide mortgage settlement, and the MERS lawsuit.

MHC bid farewell to three fantastic board members that evening. MHC wishes to thank departing Board President Cristie McCravy, of the Louisville Urban League; Board Vice President Rick Vance, of Stites & Harbison; and boardmember John Bajandas, of SHED Design Group for their extensive service to MHC.

We also welcomed five new board members: **Nicole Maddox**, an attorney with Stites & Harbison; **Jim Watkins**, Vice President of Compliance and Community Reinvestment at PBI Bank, Inc.; **John P. Cullen**, CEO of LockUp Lead; **Michael Gross**, a project manager with LDG Development; **Everett Hoffman**, a union-side labor lawyer, of counsel with the law firm of Priddy Cutler Miller & Meade.

Many thanks to all who made the evening a wonderful event.

Join MHC for the release of  
our latest report:

***How to Lower Utility Costs:  
A Guide to Louisville Programs for  
Energy Efficient Improvements and  
Resources to Help Pay a Utility Bill***

12:00 p.m. Thursday, July 11, 2013 at  
New Directions Housing Corporation

1000 E Liberty St Louisville, KY 40204

For more information, contact MHC at (502) 584-6858

## MHC advocates for fair and affordable housing during current zoning review

The Louisville Metro Land Development Code (LDC) is under review. Land Development Codes are commonly referred to as zoning codes. The LDC determines what can be built and where. The LDC is like the skeletal system for building in our community and if our bone structure is healthy there will be equal housing opportunities for all residents. However, our local LDC has been partly responsible for segregation in our community, as MHC's *State of Fair Housing Report* demonstrated.

There are two reviews of the code happening simultaneously at the moment. The first is a review of the code by a Louisville Metro Council committee and the second is a citizens' review process overseen by the Louisville Metro Department of Planning and Design. Over 100 people have participated in the citizens' review process through the many sub-committees reviewing different parts of the LDC. Whatever your passion- transportation planning, tree canopy, or fair and affordable housing, to name a few- there has been a subcommittee convened on the topic as part of the review.

Metropolitan Housing Coalition participated in the Fair and Affordable Housing Sub-Committee of the citizens' review process along with many professional developers, planners, and advocates. The recommendations of that sub-committee are being presented to the main citizen review committee this month. The subcommittee researched best practices from other jurisdictions for ideas on how to create opportunities for everyone in Louisville Metro to purchase or rent housing throughout the county. Some of the realities that the committee dealt included the fact that almost 40% of Jefferson County residents rent, up from 30% ten years ago; that according to U.S. Department of Housing & Urban Development (HUD), the Metro Louisville's median income fell 5% from 2012 to 2013, while the cost of rental housing went up; that the overwhelming amount of acreage zoned residential in Louisville only allows single family housing and large lot sizes, which prevents development of housing types affordable to those at or below median income.

There are three parts to the recommendations from the committee and while the effects of the recommendations are not earth shattering, the underlying idea, that diverse housing choices throughout Louisville Metro are beneficial to all Louisvillians, is a new way of thinking for our city. We'll update you on the review process and changes to the code in upcoming newsletters.

## Another view on MERS

*An article by Kentucky Attorney General Jack Conway on his lawsuit against MERS was published in the March 2013 MHC newsletter. The MHC board has not taken a position on this issue. Here is another view of the lawsuit from attorney Richard A. Vance of Stites & Harbison.*

In a recent edition of this newsletter, the Attorney General charged that MERS is a ghost, a chimera and a façade, undermining the state recording system and real property records. The truth is much more mundane. As its name suggests, MERS is an electronic registry system for mortgages—it is a back office function of the secondary mortgage market. In the mid-1990's, county recording offices around the country were struggling to computerize and automate, and the errors and delays of their antiquated systems were constricting the availability of mortgage credit. In response, MERS was created as a *nonprofit* organization by government-sponsored housing agencies like Fannie Mae and Freddie Mac, mortgage lending institutions, and others interested in housing finance to implement a computerized, electronic registry to track the ownership of promissory notes voluntarily submitted to the system. In fact, many familiar banks and state housing finance agencies engaged in affordable housing missions, including KHC and other MHC members, are members of MERS.

By making MERS the mortgagee of record, promissory notes can be exchanged more quickly and with lower transaction costs – this liquidity helps the availability of mortgage credit, which in turn lowers the cost of credit and mortgage interest rates. MERS does not replace the county land records – mortgages, assignments of mortgages, and releases are still required to be recorded as they have been. For most questions about their mortgage loans, consumers can contact their servicers directly. To determine who owns their loan, consumers can also use the free MERS tool, MERS SERviceID, via website or telephone.

In his suit against MERS, the Attorney General argues for a radically new interpretation of the recording statutes – after nearly 20 years of practice - that would require every transfer of a mortgage *note* to be recorded and more fees paid. Such transaction costs and fees must inevitably be passed on to consumers, resulting in higher loan closing costs. Even more significantly, since nearly all federally-sponsored lending programs utilize the MERS system, the AG's demagogic challenge to the MERS system threatens to restrict access of Kentucky consumers to such federal programs. This would be a terrible consequence for consumers and affordable housing in Kentucky.

## Calendar of events

### Tuesday, June 25 6PM

Women in Transition and the ACLU of Kentucky 4<sup>th</sup> Amendment Know Your Rights Session. Women in Transition Offices (809 E. Chestnut Street) What should you do when you are stopped by the police? This session will help you learn more about your rights under the 4th Amendment. Elizabeth Jones, Attorney at Law; Criminal Defense Attorney Krsna Tibbs; and ACLU of KY Program Director Kate Miller will help you understand your rights as they relate to stops, searches, and arrests. Refreshments will be served.

### Tuesday, June 25, all day

Project Warm benefit at O'Shea's Irish Pub Present a coupon at checkout and 20% goes to Project Warm's direct services and free workshops. The coupon can be shown from your smartphone or printed and is available at the Project Warm Facebook page: <https://www.facebook.com/ProjectWarmLouisville> or by emailing us at [info@projectwarm.org](mailto:info@projectwarm.org).

### Wednesday, June 26, 2013 10AM – 3PM

Louisville Urban League presents 10<sup>th</sup> Annual Community Career Expo Jeffersontown at Jeffersontown Community Center, 10617 Taylorsville Rd. For more information contact Louisville Urban League at [www.lul.org](http://www.lul.org) or call: (502) 566-3371

### Saturday, June 29<sup>th</sup> beginning at 8:00AM

Indatus 5k Run/Walk at Iroquois Park Proceeds will benefit Family Scholar House's Family Nutrition and Wellness program. Register at: <http://www.active.com/running/louisville-ky/indatus-5k-run-walk-to-benefit-family-scholar-house-2013>.

### Saturday, June 29, 11:30AM

Habitat for Humanity will host a Ground Blessing at 1692 Harold Ave

### Saturday, July 20

The biennial Upper Highlands community-wide yard sale. Sale sites maps will be at each home and each home sets its own hours. For further information, please email: [uhna05@hotmail.com](mailto:uhna05@hotmail.com)

## Get Involved!

***Join MHC and our many partners as we work on these fair and affordable housing issues***

**Land Development Code** changes to ensure that fair and affordable housing can occur throughout Jefferson County: Join us in advocating for adoption of the changes recommended by the Fair and Affordable Housing Sub-Committee of the Land Development Review Committee. These proposed changes are posted on MHC's web site at [metropolitanhousing.org](http://metropolitanhousing.org). ***What you can do TODAY:*** Sign an orange post card and leave it on the table. Call or e-mail us to join in the advocacy coalition.

**Vacant or abandoned properties:** Join the Louisville Vacant Property Campaign, which meets the third Tuesday of each month from 5:30 to 7:00 at Presbyterian Community Center, 701 South Hancock Street, Louisville. Contact MHC to get on the email list for upcoming meetings and events.

**Local Options for Kentucky Liens (LOKL):** Join the advocacy group LOKL as we work to change state law to make the Louisville Land Bank more effective in re-use of land, including abandoned properties, and as we seek to keep local control and local ownership of property tax liens so owners can have more opportunity to pay their property tax, and allow re-use of land that is abandoned. Contact MHC to get on the email list for upcoming meetings and events.

**Fair Housing Coalition:** Join the Fair Housing Coalition, which meets the second Tuesday of each month from 2:00 to 3:00 p.m. at New Directions Housing Corporation, 1000 East Liberty Street, Louisville. This year the FHC was involved with a forum on housing people with behavioral and/or mental health disabilities.

For more information on how you can positively impact your community or to join any of these efforts, contact MHC at (502) 584-6858 or write [info@metropolitanhousing.org](mailto:info@metropolitanhousing.org).

Please visit our web site at [www.metropolitanhousing.org](http://www.metropolitanhousing.org) to see our reports. We are also on Facebook (<https://www.facebook.com/mhclouisville>) and Twitter (@mhclouisville).

# MHC NEWSLETTER

June 2013

## Strengthen the United Voice for Fair and Affordable Housing!

Make your donation online at [www.metropolitanhousing.org](http://www.metropolitanhousing.org) or  
mail this form to MHC, P.O. Box 4533, Louisville, KY 40204-4533

Name(s) \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Membership Type (check one)  Individual/Family  Organization/Business

### Membership Level

Sponsoring Member - \$1,000 or more  Supporting Member - \$75-\$199

Sustaining Member - \$500-\$999  Assisting Member - \$1-\$74

Anchoring Member - \$200-\$499  Check here if you would like your donation to be anonymous

One-Time Donation Amount \$ \_\_\_\_\_

Recurring Credit Card Donation Amount \$ \_\_\_\_\_ per month OR \$ \_\_\_\_\_ per quarter

Method of Payment (check one):  Check  Visa  MC  Amex  Discover

Credit Card Number \_\_\_\_\_ Expiration Date (month/year) \_\_\_\_\_

MHC would like to thank  
Louisville Metro Government  
for its continuing support  
of our outreach efforts.



MHC's monthly newsletter  
is underwritten by a  
generous grant from

Return Service Requested

P.O. Box 4533  
Louisville, KY 40204-4533  
Phone (502) 584-6858  
Fax (502) 452-6718  
[www.MetropolitanHousing.org](http://www.MetropolitanHousing.org)



Non-Profit Org.  
US Postage  
PAID  
Louisville, KY  
Permit No. 1878