



100 attend forum on loss of property values in African-American neighborhoods

There is growing concern about decreasing property values in African-American neighborhoods in urban Louisville and on October 3, 100 people attended a forum to explore this issue and talk about possible solutions. The panel was made up of experts on the issue, including representatives from the banking and real estate sectors and residents of the affected neighborhoods. A variety of problems were identified as well as over a dozen activities we as a community can engage in to help staunch this wealth drain threatening the future of our city.

The Network Center for Community Change and Louisville Urban League identified this problem when the Property Valuation Administration recently released revised lower property values and approached MHC about taking action on the issue.

Members of the panel included: Adam Hall, Community Development Relationship Manager with Fifth Third Bank and President of the MHC Board of Directors; Donovan Taylor, President of the Chickasaw Neighborhood Federation; Tony Lindauer, Jefferson County Property Valuation Administrator; Larry Disney, Executive Director of the Kentucky Real Estate Appraisers Board; Cliff Turner, President of the National Association of Real Estate Brokers, also known as *The Realitists*; and Pam Newman, Network Organizer with The Network Center for Community Change. Christie McCravy, Director of the Center for Housing and Financial Empowerment at the Louisville Urban League, moderated the event.

This forum was only an opening salvo in combating this problem. Many frightening facts were shared, but knowledge is power. New tight regulations on home lending criteria, strict requirements for banks to keep capital in the bank vault (instead of in the market) for non-conforming loans and the erosion of the government secondary market organizations, e.g. Fannie Mae and Freddie Mac, are putting us on a path to giant barriers to home ownership. New regulations to create arms-length relationships between appraisers and banks has allowed companies to outsource appraisals of homes in our neighborhoods to not just
(Cont.)

Many thanks to MHC board member Janet Dakan for hosting and board member Dr. Renee Campbell for providing her beautiful, original jewelry for a fundraiser sale on October 19.

West End (Cont.)

out-of-town appraisers with no relationship to or understanding of our community but appraisers on other continents.

To help our neighborhoods with appraising value, we learned the difference between PVA mass appraisals of a whole area and an individual appraisal for a bank loan. Lindauer and the PVA office have been assisting neighbors who want to appeal their individual tax appraisal, whether to increase or decrease it. Disney wants to keep appraisals at a level of excellence and is willing to work with our groups to improve the process. Most encouraging were those in attendance, anchors in their neighborhoods, who want to keep, protect, and increase real estate value to ensure their neighborhoods remain thriving areas.

Here are some of the suggestions shared by experts and residents alike on how to resolve the problem:

- **Get to Know your neighbors...work together... join a neighborhood association. The louder voices get the attention!**
- **Support HB 20: Re-activate and modernize the Land Bank.**
- **Incentivize redevelopment for true home ownership. Build the market back by creating more stock.**
- **Report the appraisers that do not understand the area.**
- **Educate and encourage people in the neighborhood to become appraisers.**
- **Replicate programs that have been successful in revitalizing other areas, such as Old Louisville and the Highlands/Bardstown Road area.**
- **Educate young people about careers in real estate. There are 237 careers, not all in selling single family homes.**
- **Stop looking at West Louisville in a macro view and look at it neighborhood by neighborhood.**
- **Educate seniors and homeowners about the importance of estate planning and the disposition of their property. Transfer the property to someone who cares.**
- **Organize strong, strategic neighborhood associates who are involved in robust planning for the neighborhood. (CONT.)**

West End property values suggestions CONT.

- Create vigilant neighborhood block watches and work together to take back the neighborhood from crime and undesirable behavior.
- Re-energize neighborhood pride. Your neighbors are your family.
- If you feel your home is undervalued, help PVA by appealing during the appeal season.
- Create more mixed income neighborhoods. "Affordable" housing should not be the only focus.
- More investment in amenities other than dollar and liquor stores, but investment in the parks and other areas.
- Residents should begin promoting their neighborhoods to dispel the reputation that all of the West is bad. Promote neighborhoods in a positive manner.
- Investigate and pass a moratorium on transitional and boarding houses in the West. The area is saturated. Residents should speak up about up about undesirable properties.
- Create TIFs for neighborhood development.
- Stop adverse possession in the neighborhoods.
- Residents who live in the area should invest and become landlords so that all are invested in the community (given to me after the session).
- Fund the Affordable Housing Trust Fund.

Forum gathers experts on historic preservation and tax credits

Being located in one of Louisville's seven current local historic districts adds \$59,000-\$67,000 to the median value of a home, according to Preservation Louisville. To help our community begin to better examine how historic preservation issues, MHC and the Louisville Vacant Property Campaign (LVPC) hosted a forum on October 15 at Family Scholar House's new Parkland campus that gathered a panel to discuss the role of historic preservation is a key part of maintaining neighborhoods, how Historic Tax Credits (HTC) can play a role in rehabilitation of older buildings, and the need for advocacy to get the Kentucky state legislature to devote more funding to our state's HTC program. Lawyer and MHC board member Peter Wayne moderated the event.

The new FSH Parkland campus was the perfect location for the event. The primary structure on the site was a school, built in 1891, and redeveloped for use by FSH. Jake Brown, with the Marian Development Group, the developer of the FSH site, explained the redevelopment process and helped the audience see how something that an untrained eye would see as lost, became a beautiful enhancement to a neighborhood and a useful building. Marianne Zickuhr, Executive Director of Preservation Louisville, provided an overview of the importance and payoff of historic preservation and discussed her organization's programs for owners of historic properties, including monthly do-it-yourself workshops. Joe Pierson dissected the Historic Tax Credit potential and reality. Cynthia Johnson, Louisville Metro's Historic Preservation Officer, gave an overview of the Landmarks Commission and laws.

While the federal HTC can only apply to larger commercial enterprises, though those "commercial" projects can be for housing, the possibility of HTC as a significant source to help individual property owners seems to be blocked by the state's outdated limits on how much will go into the HTC program. For example, a typical shotgun house might need \$20,000 in renovation. At full capacity, the HTC program would only refund \$6,000 of that \$20,000. There seem to be two major impediments. Of course, someone being able to get the \$20,000 loan is huge - but we can have programs that meet that need. **(CONT.)**

SAVE THE DATE!

MHC 2013 State of Metropolitan Housing

Report

Release Event

**Tuesday, December 10th, 12:00 p.m. at
Louisville Urban League,
1535 W Broadway**

**For more information, contact MHC at
502-584-6858**

Preservation and HTC (CONT.)

The second is that the state HTC does not fund the program up to legitimate need and, consequently, you cannot receive the full \$6,000 credit.

Obviously, this is penny-wise and pound-foolish. The taxes paid on building materials and on wages to workers, along with the increased value of the property and tax payments would show that HTC costs would be returned quickly and then there would just be an increase to the property tax base. MHC suggests that the HTC be investigated as part of our community's multi-pronged approach to resolving the issues related to vacant properties.

For more information about historic preservation and HTCs, contact the Kentucky Heritage Council at (502) 564-7005. For more information on Preservation Louisville and their programs, call (502) 540-5146. To reach Louisville Metro Landmarks Commission, call 502-574-3501.

Many thanks to Family Scholar House for generously providing space for this event.

Schedule of Events

MHC Events

NO MHC Board of Directors meeting in November. Next meeting is Wednesday, December 4, 12pm at New Directions.

Tuesday, November 12, 2:00-3:00pm Fair Housing Coalition Meeting. New Directions, 1000 E. Liberty Street.

Tuesday, December 19, 5:30pm Louisville Vacant Property Campaign monthly meeting. Main Library meeting room, 3rd at York.

When do you most often hear about housing issues in local media and conversation?

Usually about the time MHC releases our annual *State of Metropolitan Housing Report*.

We're about to release the 2013 *State of Metropolitan Housing Report*, but we need your support today to ensure that MHC is again able to raise awareness about critical housing issues in our community and provide valuable information for community partners next year,

Support MHC's work with a donation today!

Tuesday, Oct. 29, 8:00am – 5:00pm: "Credit is an Asset" training with the Credit Builder's Alliance, a full-day, interactive training designed to help social service practitioners understand credit and importance of good credit, and to equip providers to work with their clients to improve their credit. Visit <http://www.cnpe.org/learnings/a05C000000Bm31ZIAR> for more information and to register.

Wednesday, Oct. 30, 6:00 - 7:00 pm: Bank on Louisville Money Matters workshop, Newburg Library, 4800 Exeter Ave. Free and open to the public.

Saturday, November 2, 9 am Louisville Coalition for the Homeless - 6th Annual 5k Race to End Homelessness. Race, walk or meander the Cherokee Park scenic loop. More info at <http://louhomeless.org/>

Wednesday, November 6, 4:00-8:00 pm Hotel Louisville - 120 W. Broadway Ali's Louisville: Making a Compassionate City II - Event will gather people from a wide range of life experiences and perspectives to grapple with operationalizing compassion in the city. This is a free ticketed event. For tickets visit alislouisville2.eventbrite.com For more information call 502-852-1493, email maforb01@louisville.edu, or visit www.louisville.edu/aliinstitute

Monday, November 18 Dinner is at 5:30, program is at 6 p.m. at Lang House, 115 S. Ewing - League of Women Voters community forum on *Signs of Hope for a Better Environment* and features presentations by two environmental educators: Darleen Horton from Cane Run Elementary School, and Joseph Franzen from Fern Creek High School. Also on the panel is Maria Koetter, director of the Office of Sustainability explaining the Mayor's Sustain Louisville.

Wednesday, November 20, 2013 at 5:30 pm - UofL's Student Activities Center Multipurpose Room - 7th Annual Anne Braden Memorial Lecture: Dr. Khalil Gibran Muhammad, author and director of the Schomburg Center for Research in Black Culture, will present "Why the Past Won't Go Away: The Crisis of History in the Age of Post-Racialism".

Strengthen the United Voice for Fair and Affordable Housing!

Make your donation online at www.metropolitanhousing.org or
mail this form to MHC, P.O. Box 4533, Louisville, KY 40204-4533

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for its continuing support



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