

SUPPORTING HOUSING *for* DISTRICT 8 FAMILIES

POLICY REALITIES AND OPPORTUNITIES



Metropolitan
Housing Coalition



UNIVERSITY OF
LOUISVILLE

CENTER FOR ENVIRONMENTAL
POLICY & MANAGEMENT

Supporting Housing for District 8 Families



POLICY REALITIES AND OPPORTUNITIES

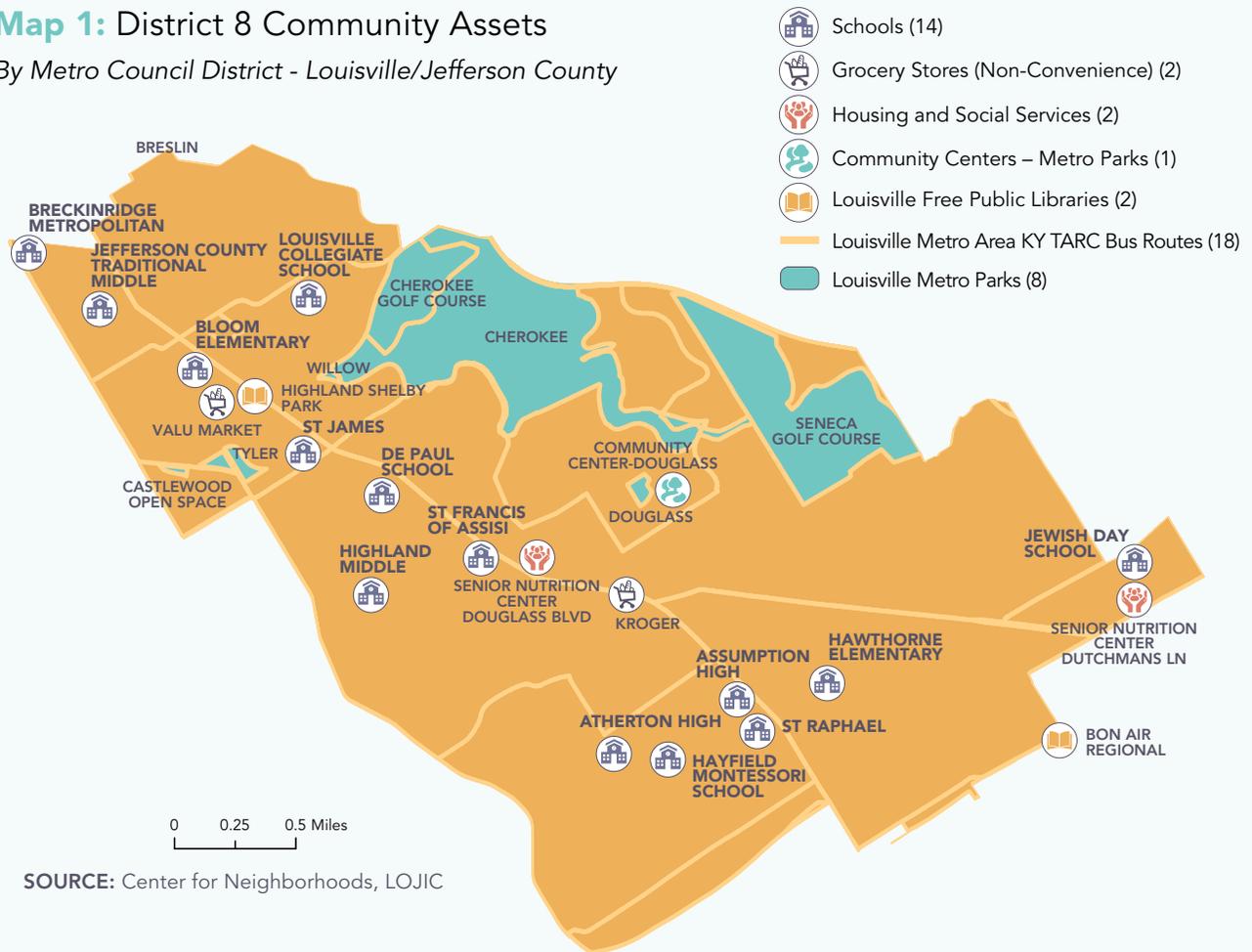
ABOUT DISTRICT 8

Louisville’s Metro Council District 8 is located in the center of Louisville and is comprised (in whole or part) of the Alta Vista (Cherokee Seneca); Belknap; Bon Air; Bonnycastle; Braeview (Cherokee Gardens); Cherokee Triangle; Deer Park; Germantown; Hawthorne; Highlands

Douglass; Kingsley; Original Highlands; Seneca Gardens; Seneca Vista (Bowman); Strathmoor Manor; Strathmoor Village; Tyler Park; and Upper Highlands (Gardiner Lane and Hayfield Dundee) neighborhoods. **Map 1** displays important community assets of District 8.

Map 1: District 8 Community Assets

By Metro Council District - Louisville/Jefferson County



DEMOGRAPHICS

Race/Ethnicity

As shown in **Figure 1**, District 8 has a much higher proportion of White, non-Hispanic residents compared to Jefferson County. 92.0 percent of residents in District 8 block groups are White, non-Hispanic compared to 66.6 percent of White, non-Hispanic residents in

Jefferson County. Just 2.7 percent of District 8 residents identify as Black or African American compared to 21.9 percent of Jefferson County Residents. 1.8 percent of District 8 residents are Hispanic, compared to 5.7 percent of Jefferson County residents.

Figure 1: Race and Ethnicity of District 8 Residents, 2020

	Jefferson County	District 8 Block Groups
White, non-Hispanic	66.6%	92.0%
Black/African American	21.9%	2.7%
Hispanic, non-White	5.7%	1.8%
Total	768,419	36,924

SOURCE: 2016–2020 ACS 5-Year Estimates

Median Income

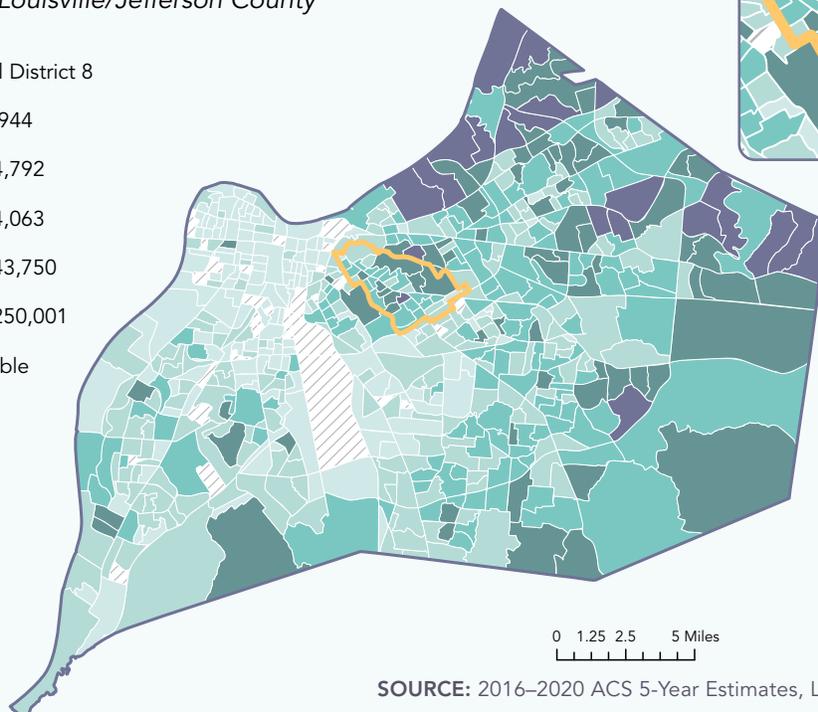
Map 2 shows the median income of Jefferson County and District 8. The median income for all of District 8 is \$73,681, which is \$15,485 more than the median income of all of Jefferson

County (\$58,196). The areas within District 8 with the largest median incomes are located near Cherokee Park and the Highlands.

Map 2: Median Income in the Past 12 Months, 2020

By Block Group- Louisville/Jefferson County

-  Metro Council District 8
-  \$8,601 – \$41,944
-  \$41,945 – \$64,792
-  \$64,793 – \$94,063
-  \$94,064 – \$143,750
-  \$143,751 – \$250,001
-  Data Unavailable



SOURCE: 2016–2020 ACS 5-Year Estimates, LOJIC

Disability Status

People with disabilities are twice as likely as those without disabilities to experience poverty. This is due to reduced earning power caused by lower wages or exclusion from the workforce, costly medical bills, discrimination, lack of social supports, and other causes. In addition to being more likely to experience poverty, people with disabilities are also much more likely to experience housing insecurity and homelessness.

In District 8 tracts, there are overall fewer adult residents with disabilities compared to Jefferson

County. 12.0 percent of male residents ages 18-64 and 13.1 percent of female residents ages 18-64 in Jefferson County have a disability compared to 6.7 percent of male residents and 8.3 percent of female residents in District 8. For those residents 65 years or older, 33.7 percent of male and 36.2 percent of female residents in Jefferson County have a disability compared to just 29.4 percent of male residents and 26.0 percent of female residents in District 8 (**Figure 2**).

Figure 2: Disability Status by Age Groups and Sex of District 8 Residents, 2020

	Jefferson County					
	Male			Female		
	Under 18	18-64	65+	Under 18	18-64	65+
With a Disability	5.7%	12.0%	33.7%	3.9%	13.1%	36.2%
Without a Disability	94.3%	88.0%	66.3%	96.1%	86.9%	63.8%
Total	86,423	228,299	51,733	83,022	241,635	69,147

	District 8 Tracts					
	Male			Female		
	Under 18	18-64	65+	Under 18	18-64	65+
With a Disability	5.8%	6.7%	29.4%	2.9%	8.3%	26.0%
Without a Disability	94.2%	93.3%	70.6%	97.1%	91.7%	74.0%
Total	3,956	14,267	3,296	3,908	13,982	3,907

SOURCE: 2016–2020 ACS 5-Year Estimates, table B18101

Family Structure and Poverty Status

In Jefferson County, 23.5 percent of all families with children live in a female-headed household and 6.3 percent of all families with children live in a female-headed household that lives below the poverty line compared to just 13.5 percent and 1.3 percent, respectively, in District 8 (**Figure 3**). Female-headed families with children who live below the poverty line are more likely

to rent their homes than own their homes- of all families with children in District 8, 2.0 percent are female-headed, live below the poverty line, and rent compared to just 0.6 percent that are female-headed, live below the poverty line, and own their home. For households living above the poverty line, the distribution is more equitable- 5.4 percent rent and 5.6 percent own their home.

Figure 3: Poverty Status of District 8 Families with Children, 2020

		Jefferson County		District 8 Block Groups	
		Number of Families	Percent of Families	Number of Families	Percent of Families
Total Families		186,716		10,282	
BELOW POVERTY LINE	Married Families with Children				
	Owner Occupied	1882	1.0%	108	1.1%
	Renter Occupied	2653	1.4%	164	1.6%
	Male Headed Households with Children				
	Owner Occupied	471	0.3%	0	0.0%
	Renter Occupied	1126	0.6%	10	0.1%
	Female Headed Households with Children				
	Owner Occupied	2499	1.3%	57	0.6%
	Renter Occupied	9265	5.0%	201	2.0%
AT OR ABOVE POVERTY LINE	Married Families with Children				
	Owner Occupied	102111	54.7%	7023	68.3%
	Renter Occupied	20702	11.1%	1041	10.1%
	Male Headed Households with Children				
	Owner Occupied	8022	4.3%	294	2.9%
	Renter Occupied	5789	3.1%	251	2.4%
	Female Headed Households with Children				
	Owner Occupied	16025	8.6%	576	5.6%
	Renter Occupied	16171	8.7%	557	5.4%

SOURCE: 2016–2020 ACS 5-Year Estimates, table B17019

About the same proportion of married families with children in District 8 block groups live below the poverty line compared to Jefferson County as a whole (Figure 3). 1.1 percent of married families with children who own their home and 1.6 percent of married families with children who rent live below the poverty line compared to 1.0 percent of married families with children who own their own home and 1.4 percent of married families with children who rent in Jefferson County. Fewer female

headed households with children in District 8 live in poverty compared to Jefferson County. 0.6 percent of female headed homeowner households with children and 2.0 percent of female headed renter households with children live below the poverty line in District 8. In Jefferson County, 1.3 percent of female headed homeowner households with children and 5.0 percent of female headed renter households with children live below the poverty line.

Multigenerational Households

The number of multigenerational households, households with two or more adult generations or households with grandparents and grandchildren of any age living in the same household, nationally has steadily increased over the last fifty years. Reasons for this trend include financial benefits that help to shield household members from poverty and caregiving assistance, both for elderly residents and adolescents (Cohn et al. 2022).

Figure 4 shows that in the census tracts

covered by District 8, 232 grandchildren live with a grandparent householder. In Jefferson County, the total number of grandchildren living with a grandparent householder is 13,651. In District 8, grandparent householders are responsible for 85.8 percent of those grandchildren, which is much higher than Jefferson County's rate of 59.9 percent. 77.4 percent of grandchildren whose grandparent is responsible for them do have a parent present in the same household, which is much higher than Jefferson County's rate of 56.6 percent.

Figure 4: Number of Grandchildren Being Raised by Their Grandparents With or Without Their Parent Present in District 8, 2020

	Jefferson County		District 8 Tracts	
Total Number of Grandchildren with a Grandparent Householder	13,651		232	
Grandparent Householder Responsible For Own Grandchildren Under 18 Years:	8,172	59.9%	199	85.8%
Parent Present	4,626	56.6%	154	77.4%
No Parent Present	3,546	43.4%	45	22.6%
Grandparent Householder Not Responsible For Own Grandchildren Under 18 Years	5,479	40.1%	33	14.2%

SOURCE: 2016–2020 ACS 5-Year Estimates, table B10002

HOUSING CHARACTERISTICS

Housing Age and Lead Risks

The Residential Lead-Based Paint Hazard Reduction Act of 1992 passed by congress requires that home sellers and landlords disclose information on lead-based paint and lead-based paint hazards before the sale or lease of most housing built before 1978 to ensure that people have the information necessary to protect themselves and their families from lead-based paint hazards (<https://chfs.ky.gov/agencies/dph/dmch/cfhib/CLPPP/1018qa.pdf>). Of the 20,995 occupied housing units in District 8 census tracts, 92.6 percent were constructed on or before 1979 (US Census Bureau, 2020). This

is much higher than Jefferson County, in which only 65.6 percent of all occupied housing units were built on or before 1979. HUD's Deteriorated Paint Index (DPI) estimates the percentage of pre-1980 occupied housing units with a large area of deteriorated, peeling paint (<https://hud.maps.arcgis.com/sharing/rest/content/items/e7990efee6bc42ddba1a0edf69642178/data>). The average DPI of the District 8 tracts is 1.3 percent, which is slightly lower than Jefferson County's overall DPI of 1.5 percent (<https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=3ed44f79ce2f4ed4af655adc379438b9>).

Occupancy Status of Housing Stock

In District 8, 92.3 percent of the total number of housing units are occupied, with nearly 66 percent (65.7 percent) of occupied housing units occupied by the owner and 34.3 percent occupied by renters. Across Jefferson County 91.1 percent of housing units are occupied, with 61.5 percent of those housing units occupied by owners and 38.5 percent of units occupied by renters. Of the 7.7 percent of housing units that are vacant in District 8, 35.9 percent are available

for rent, 20.1 percent are available for sale, and 44.1 percent are vacant and unavailable for long-term housing. For Jefferson County, 8.9 percent of housing units are vacant. Of those vacant housing units, only 27.1 percent are available for rent and only 7.9 percent are available for sale. This is a substantially smaller proportion of vacant housing units available for long term housing compared to the proportion available in District 8 (**Figure 5**).

Figure 5: Occupancy Status of District 8 Housing Units, 2020

	Jefferson County		District 8 Block Groups	
	Number of Units	Percent of Units	Number of Units	Percent of Units
Total Housing Units	347,172	100.0%	17,778	100.0%
Occupied Housing Units	316411	91.1%	16412	92.3%
Owner Occupied Units	194638	61.5%	10778	65.7%
Renter Occupied Units	121773	38.5%	5634	34.3%
Vacant Housing Units	30761	8.9%	1366	7.7%
Units For rent	8325	27.1%	490	35.9%
Units for Sale	2442	7.9%	274	20.1%
Other Vacant Units	19994	65.0%	602	44.1%

SOURCE: 2016–2020 ACS 5-Year Estimates, table B25002

Mortgage Status

The distribution of residents' mortgage status between District 8 homeowners and homeowners in Jefferson County are almost identical. In Jefferson County, 65.0 percent

of homeowners have a mortgage or a similar type of debt compared to 64.9 percent of homeowners in District 8 block groups (**Figure 6**).

Figure 6: Mortgage Status of District 8 Homes, 2020

	Jefferson County		District 8 Block Groups	
	Number of Units	Percent of Units	Number of Units	Percent of Units
Total Owner-Occupied Housing Units	194,638	100.0%	10,778	100.0%
Housing Units With A Mortgage, Contract To Purchase, or Similar Debt	126553	65.0%	6995	64.9%
Housing Units Without A Mortgage	68085	35.0%	3783	35.1%

SOURCE: 2016–2020 ACS 5-Year Estimates, table B25081

Short Term Rentals

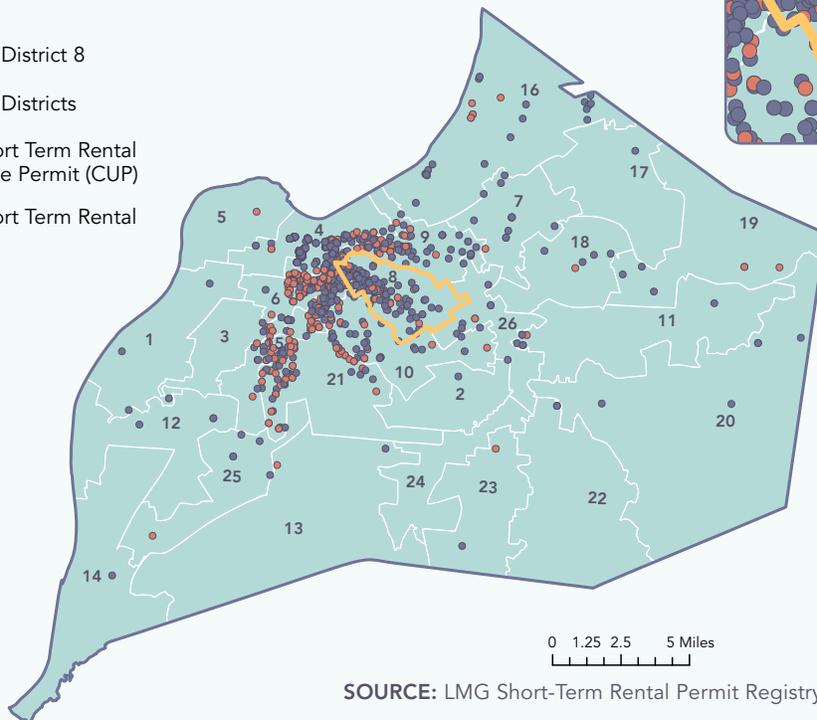
District 8 has a total of 213 registered short term rentals (STR) (**Map 3: Short-Term Rentals**). Of those, 57 required a conditional use permit and 92 are host occupied. The Short-term rentals closely follow Bardstown Road, with high concentrations of short-term rentals starting near the intersection of Bardstown Road and Eastern Parkway, following this main corridor to Baxter Ave and Broadway. A 2019 study out of Washington D.C. found that unregulated growth in STR business created an inequitable property price premium that could distress first-time homebuyers and negatively affect long-term

renters if the price premium results in higher rent. As Short-Term rentals continue to grow in popularity, it is important to consider their impact on surrounding residents. STR investors can make life much harder for people who are still seeking a home. Policy makers are encouraged to consider regulation for a primary dwelling to be rented a maximum number of days per year. This policy would hopefully cool down STR-related housing investment by prohibiting commercial listings outside of a host's primary dwelling, thus opening up more opportunities for long-term rentals or first-time home buyers.

Map 3: Short-Term Rentals, 2022*

By Metro Council District - Louisville/Jefferson County

-  Metro Council District 8
-  Metro Council Districts
-  Registered Short Term Rental Conditional Use Permit (CUP)
-  Registered Short Term Rental



SOURCE: LMG Short-Term Rental Permit Registry, LOJIC

*updated as of 7/7/2022

Median Gross Rent

The majority of residents (28.9 percent) in renter-occupied housing in District 8 paid between \$650 and \$899 per month in rent. This is in line with Jefferson County as a whole, where 27.2 percent of renting residents paid this range in rent per month (**Figure 7**). This is between \$345 to \$96 less than the median rent of District 8 (\$995) and \$251 to \$2 less than that of Jefferson County (\$901). In District 8, a larger percentage of renting residents pay above the median rent as compared to Jefferson County. There

are substantially fewer renters paying less than \$649 in District 8 as compared to Jefferson County, likely a reflection of fewer units in this price range available in the area. The lack of available rental units within District 8 below the median rent provides an opportunity to initiate incentives that would attract affordable housing developers to this area and thus diversify the existing housing stock to make affordable units available to lower-income households.

Figure 7: Renter-Occupied Housing by Gross Rent, 2020

Gross Rent	District 8	% of Total D8	Jefferson Co.	% of Total
< \$349	151	2.9%	8,975	7.4%
\$350 - \$499	121	2.4%	4,886	4.0%
\$500 - \$649	191	3.7%	11,840	9.7%
\$650 - \$899	1,472	28.9%	33,137	27.2%
\$900 - \$999	525	10.3%	14,495	11.9%
\$1,000 - \$1,249	1,241	24.4%	24,370	20.0%
\$1,250 - \$1,499	550	10.8%	11,643	9.6%
\$1,500 - \$1,999	443	8.7%	6,555	5.4%
> \$2,000	171	3.4%	1,983	1.6%
Median Gross Rent	995		901	
Total Renter Occupied Units	5,093		121,773	

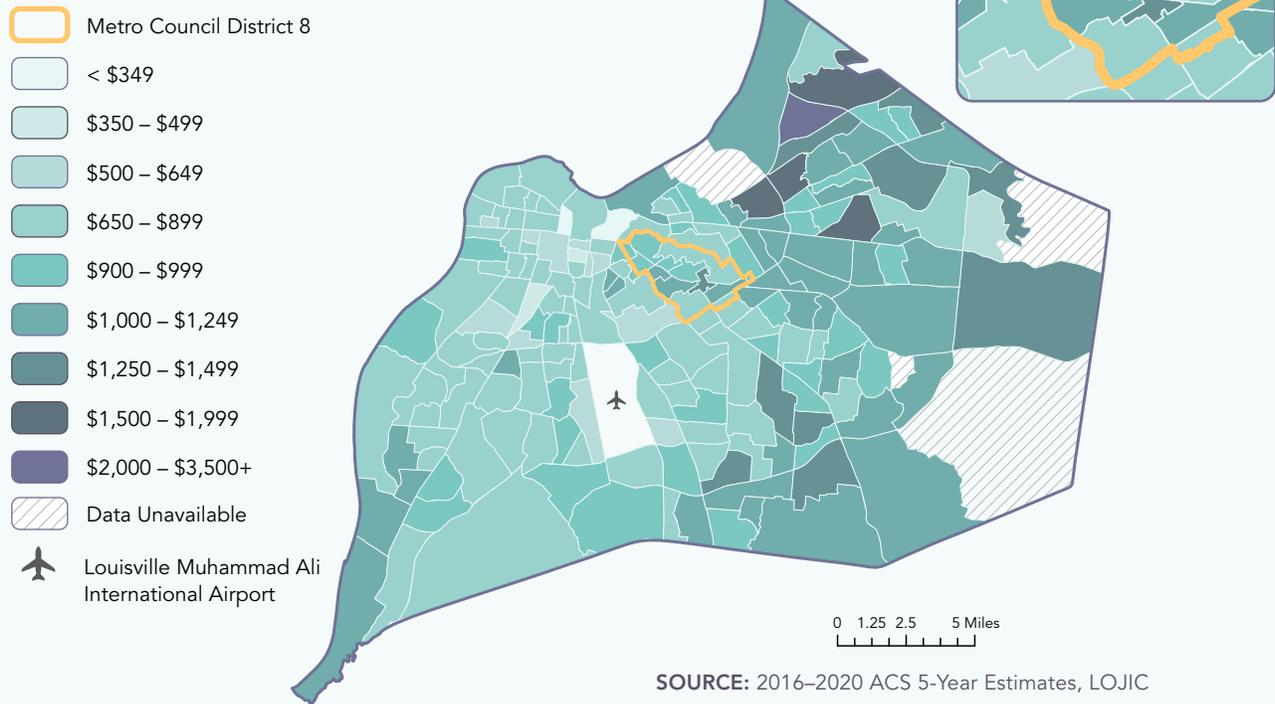
SOURCE: 2016–2020 ACS 5-Year Estimates

Map 4: Median Gross Rent displays the median gross rent of Jefferson County by census tract, with District 8 boundaries outlined in red. The inset map provides a closer look at the differentiation of rent by census tract within the Council district. The highest rents are concentrated in the Seneca Gardens area of District 8, in the \$1,250 to \$1,499 per month range. The lowest rents are concentrated in two

areas of District 8, are located to the West of Bardstown Road near the Watterson Expressway and to the area South of the Watterson Expressway near Bon Air. This is the same area of the highest concentration of eviction filings, pointing to the need for assistance beyond non-payment of rent to increase the housing stability for District 8 residents.

Map 4: Median Gross Rent of Renter Occupied Units, 2020

By Census Tract – Louisville/Jefferson County



Housing Cost Burdened

Nearly 22 percent (22.2 percent) of all households in District 8 block groups are considered cost burdened, spending over 30 percent of their household income in the past 12 months on housing costs (**Figure 8**). Comparatively, 26.6 percent of households in Jefferson County are considered cost burdened. Although less than Jefferson County as whole, this is over 4,000 households in the Council District at risk of housing instability. Those who rent are more likely

to be housing cost burdened. 32.1 percent of renters in District 8 are housing cost burdened compared to nearly 17 percent (16.9 percent) of homeowners who are housing cost burdened. This is also true of Jefferson County- 41.1 percent of renters are housing cost burdened, which is nearly 10 percentage points higher than in District 8, and 17.6 percent of homeowners are housing cost burdened, which is slightly more than in District 8.

Figure 8: Housing Cost Burdened District 8 Residents, 2020

	Jefferson County		District 8 Block Groups		
Total Housing Units	316,411		19,369		
Owner-Occupied Housing Units	194,638		12,619		
30% or more	34,305	17.6%	2,129	16.9%	
Renter-Occupied Housing Units	121,773		6,750		
30% or more	49,992	41.1%	2,170	32.1%	
Total Housing Cost-Burdened	30% or more	84,297	26.6%	4,299	22.2%

SOURCE: 2016–2020 ACS 5-Year Estimates, table B25106

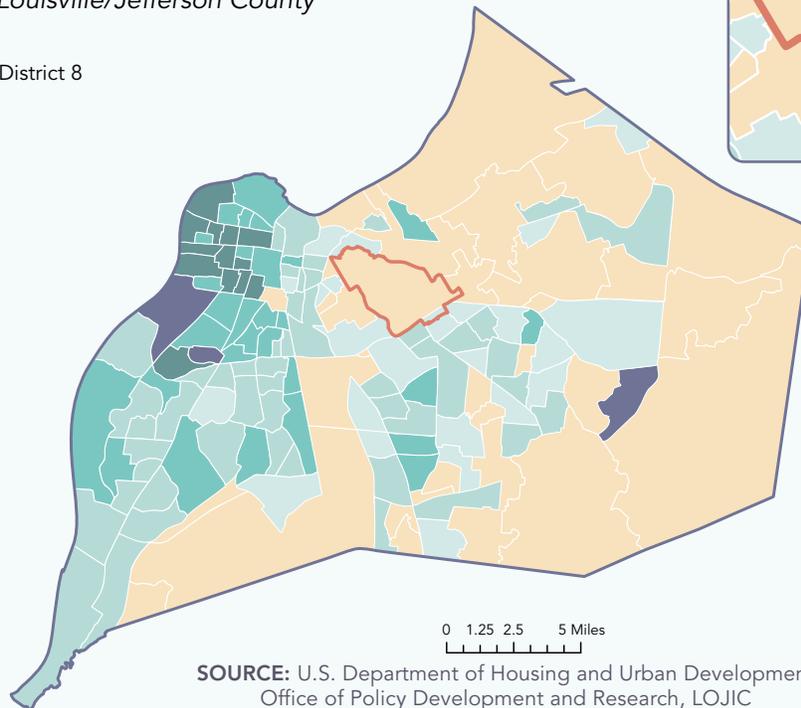
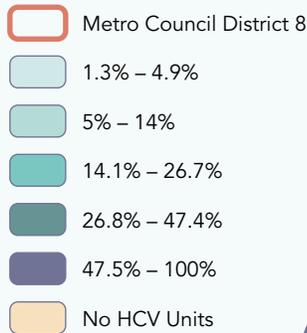
Housing Choice Vouchers (HCV)

Map 5: Housing Choice Vouchers (2021) displays both tenant-based and project-based vouchers by census tract as a percent of renter occupied units in Jefferson County. The inset map displays a closer look at Housing Choice Vouchers (HCV) in District 8. The majority of District 8 has no HCVs, according to the U.S. Department of Housing and Urban Development (HUD) Office of Policy Development and Research. A small sliver of District 8, to the south of the Watterson Expressway, shows HCVs as 1.3 to 4.9 percent of renter occupied units in the area. In late 2020, Louisville's Metro Council voted to amend the

local Fair Housing Ordinance to include key provisions that reduce the ability of landlords to reject potential tenants (LMG 2020). Although the amendment protects income sources like HCV, it does not mean that landlords are required to accept them. Based on the map of the spatial distribution of HCVs across Jefferson County, it is possible that prospective tenants with HCV income are not encouraged to live in District 8 or that rental properties may not be eligible, as HUD requires that landlords who accept HCVs to meet Housing Quality Standards.

Map 5: Housing Choice Vouchers, 2021

By Census Tract - Louisville/Jefferson County



This data set includes both tenant-based vouchers and project-based vouchers.

Evictions

In 2021, 121 eviction filings were recorded in District 8, for an annual eviction filing rate of 2.4 percent (**Figure 9**), substantially lower than the eviction filing rate of 7.5 percent for Louisville/Jefferson County. Despite the end of COVID related income assistance programs and

policies like federal and state unemployment insurance, evictions have not yet returned to pre-pandemic levels locally or nationally, which is directly attributable to eviction moratoriums and widespread emergency rental assistance (Hepburn et al. 2022).

Figure 9: Eviction Case Filing Date (by quarter, using full dataset)

	2021 (District 8)	2021 (Jefferson County)
Q1	43	2,877
Q2	31	2,493
Q3	32	2,541
Q4	15	1,208
Total Annual	121	9,119
Eviction Filing Rate Annual (2020 ACS)	2.4%	7.5%
Renter Occupied Housing Units - ACS data	5,093	121,773
Total Occupied Housing Units - ACS data	14,587	31,6411
Share of Renter Occupied Housing Units	34.9%	38.5%

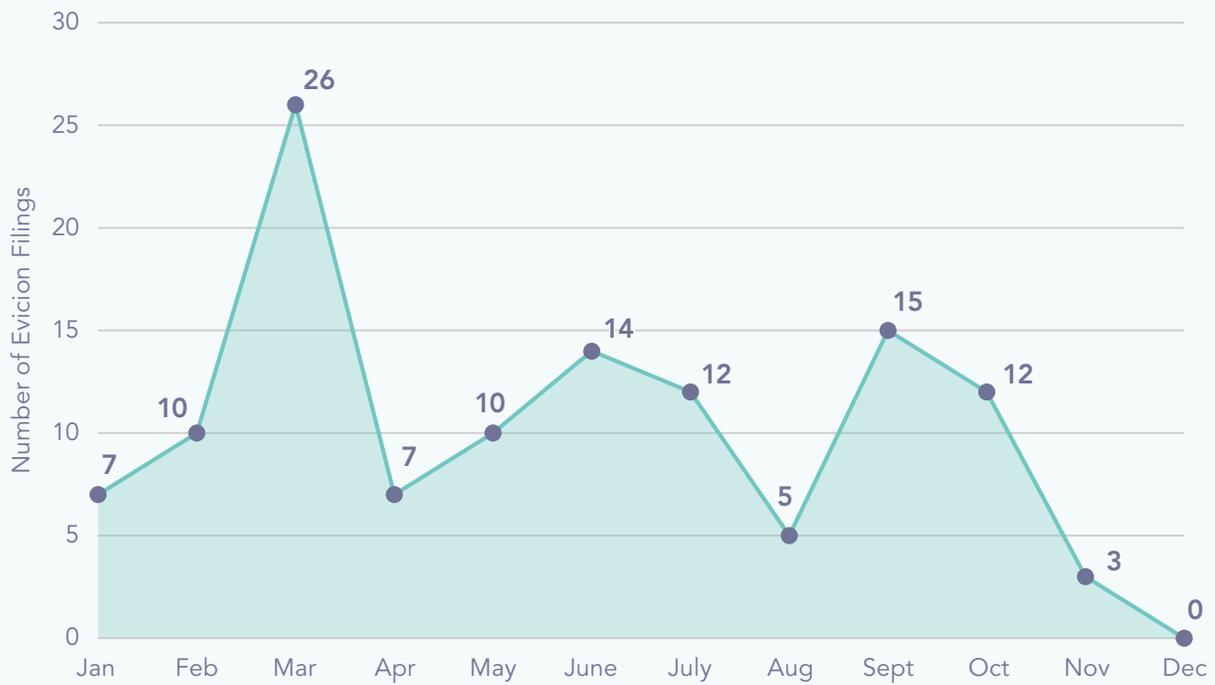
NOTES: Eviction Case Filing for Q4 2021 is through 12/16/2021. Eviction Case Disposition for Q4 2021 is through 12/28/2021. Filings analyzed are eviction filings disposed. These data represent eviction cases that were filed and that received a ruling or disposition (e.g. dismissed, judgement granted) by the courts during this period. It may not reflect the total evictions filed because cases that have not been disposed by the courts are not included in the data.

SOURCE: Kentucky Administrative Office of the Courts

Although eviction filings in District 8 were only a small amount of the total eviction filings in Jefferson County (total of 9,119 eviction filings), the patterns of filings within District 8 (**Figure 10**) mirror those of Jefferson County (**Figure 11**), demonstrating a spike in filings from February to March. Decreases in monthly eviction filings (from 26 filings in March to 7 in April), roughly follow the start dates of local emergency rental assistance programs, the adoption of the Right to Counsel ordinance, and changes to eviction court processes for those that had applied for rental assistance. Filings increased again in September of 2021, likely due to the end of the CDC Eviction Moratorium on August 26th.

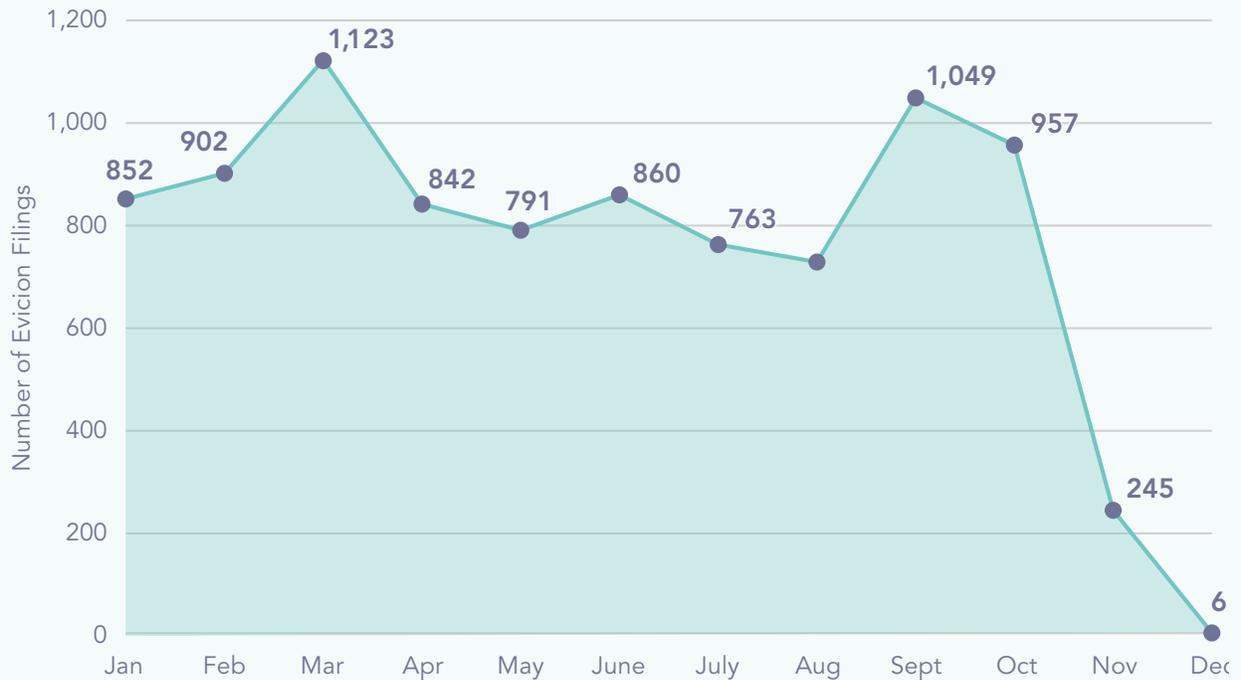
Of note are the Quarterly Eviction Judgement Rates (**Figure 12**) and Quarterly Warrant Rates (**Figure 13**) in District 8, which are more consistent with non-COVID times. The quarterly eviction judgement rates for District 8 appear to be similar to those of the entire Jefferson County, except for Quarter 2, when the eviction judgement rate in District 8 (25.8 percent) surpasses the rate of Jefferson County (24.3 percent). Likewise, the warrant rate in Quarter 2 in District 8 (75 percent) is significantly higher than in Jefferson County (54.7 percent). The consistently high warrant rates are a reminder that despite improved eviction prevention policies, many tenants are still being removed from their homes in an ongoing pandemic.

Figure 10: District 8 Monthly Eviction Filings, 2021



SOURCE: Kentucky Administrative Office of the Courts

Figure 11: Jefferson County Monthly Eviction Filings, 2021



SOURCE: Kentucky Administrative Office of the Courts

Figure 12: Quarterly Eviction Judgement/Judgement Rates, 2021



SOURCE: Kentucky Administrative Office of the Courts

Figure 13: Quarterly Warrant Rates, 2021

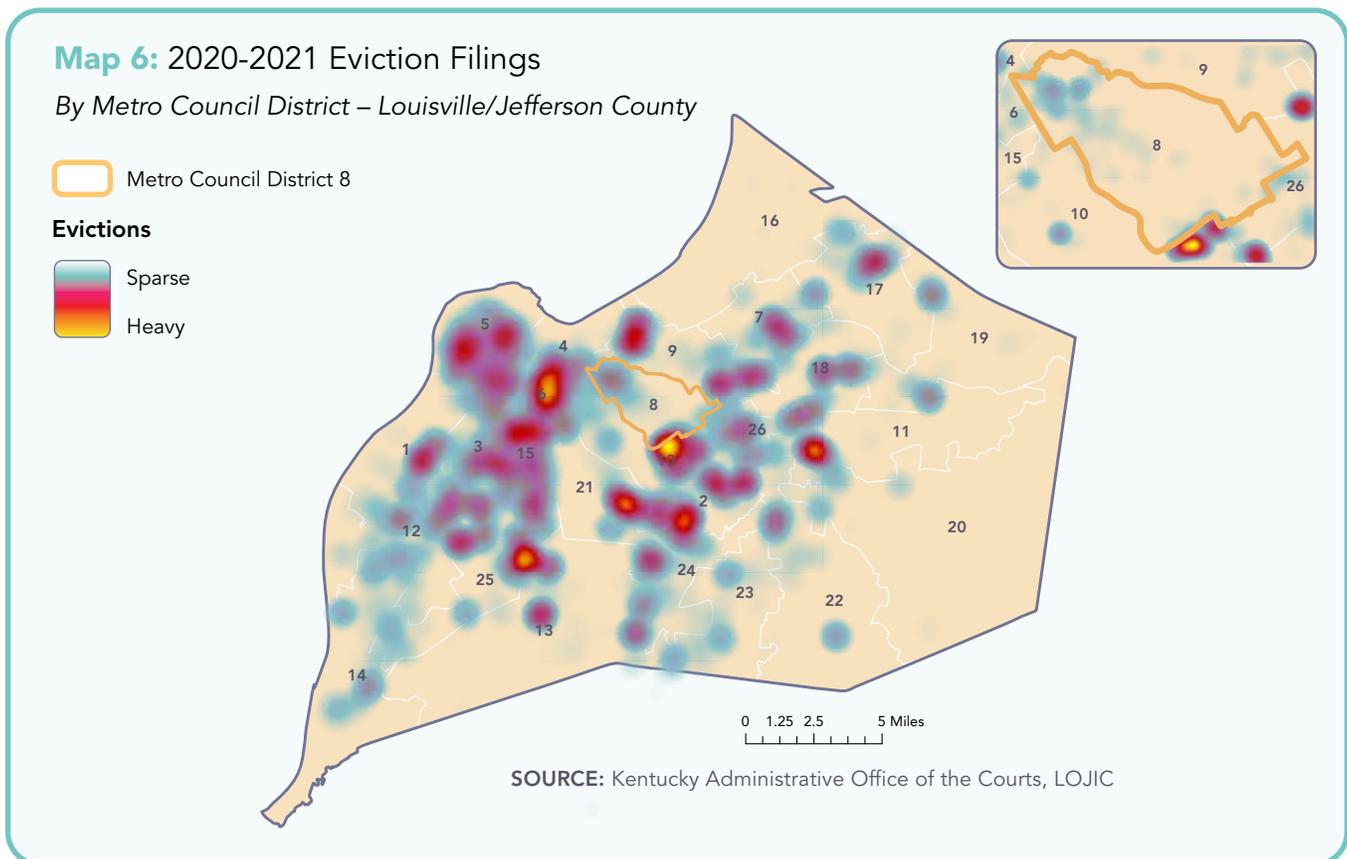


SOURCE: Kentucky Administrative Office of the Courts

These findings indicates that there are important gaps in existing policies like emergency rental assistance, which is only able to support tenants facing eviction for nonpayment of rent. Renters facing eviction for other reasons like lease expiration or lease violations have less support. While the expanded legal assistance made available through the Right to Counsel ordinance is an important start, the power dynamic within eviction court remains overwhelmingly in favor of the landlord. The data from the Administrative Office of the Courts (AOC) does not include information about the reason an eviction was filed, whether it be nonpayment of rent, lease expiration, or lease violations.

Map 6: Eviction Filings, 2021 displays 2021 eviction filings in a heat map by Council District

in Louisville/Jefferson County, with one of the densest spots of eviction filings on the cusp of the District 8 and District 10 border. The inset map of District 8 demonstrates the “hot spots” of eviction within District 8, near the intersection of the Watterson Expressway and Bardstown Road. Other areas of concentrated eviction filings within District 8 are along Grinstead Drive, near Cave Hill Cemetery and the area surrounding the Bardstown Road/Baxter Avenue crossroads. A concerted effort of targeted legal assistance and eviction prevention programs, such as those implemented during the pandemic, towards these areas of District 8 with concentrated eviction filings should be considered to increase housing stability for residents.



Foreclosures

In Jefferson County, 2021 data on foreclosure sales show that there were 300 residential foreclosed properties sold at auction. 9 of these foreclosure sales were located in District 8, accounting for 3.0 percent of residential foreclosure sales.

Unhoused Students

There are five schools located within District 8 boundaries that report data on unhoused students: Bloom Elementary, Hawthorne Elementary, Highland Middle School, Jefferson County Traditional Middle School, and Atherton High School. There are 95 total unhoused students across these five schools (**Figure 14**). 2.2 percent of students enrolled in a District 8 school are unhoused, which is lower than the 4.1% of Jefferson County's students that are

unhoused. Highland Middle School has the largest number of students enrolled who are unhoused- 40 students (4.6 percent). Highland Middle School is the only school within District 8 whose rate of unhoused students is larger than Jefferson County's.

Unhoused Residents

Data from the Louisville Metro 2020-21 Street Homelessness Initiatives indicates that there are no known homeless encampments located within District 8 (<https://louisvilleky.gov/homeless-services-division/document/u-ls-louisville-metro-addressing-street-homelessness-2020-21>). 311 data indicates that between July 1, 2021 and September 1, 2022, 53 complaints were made regarding unhoused residents in District 8 (<https://louisvilleky.gov/government/homeless-services-division/homelessness-reporting-dashboard>).

Figure 14: Unhoused Students in District 8, 2020-2021

Location	Unhoused Students	Total Enrollment	Percent Total Enrollment
Jefferson Co. Public Schools Total	3,953	96,304	4.1%
District 8 Total	95	4,270	2.2%
Schools Within District 8			
Bloom Elementary	3	557	0.5%
Hawthorne Elementary	12	397	3.0%
Highland Middle	40	877	4.6%
Jefferson Co. Traditional Middle School	10	942	1.1%
Atherton High	30	1,497	2.0%

SOURCE: JCPS

SUPPORTING HOUSING FOR FAMILIES IN LOUISVILLE METRO COUNCIL DISTRICT 8

District 8 is a resource rich area of Metro Louisville, with a multitude of education choices for children, nearby non-convenience grocery stores, access to public parks, and robust public transit along the main Bardstown Road corridor. These factors combined make District 8 an area of high neighborhood quality and housing stability that supports the physical and mental health of residents. However, these resources are not equally distributed to those that could benefit the most from such community assets.

The demographic findings of this report show that in comparison to Jefferson County, District 8 has a much higher proportion of White, non-Hispanic residents, the median income is \$15,485 more than the median income of all of Jefferson County (\$58,196), there are overall fewer adult residents with disabilities compared to Jefferson County, a much higher rate of grandparent householders are responsible for grandchildren, and there are fewer families with children living in either a female-headed household or in a female-headed household that lives below the poverty line. These findings provide the opportunity to examine why these realities of District 8 exist and how District 8 can do better to provide housing that will support different races and ethnicities, lower-income, multi-generational, people of varying abilities, and female-headed households.

Housing is available in District 8, however the implementation of policy recommendations outlined in the next section are needed to ensure that this housing is attainable to the demographics of people listed above. The analysis of housing characteristics reveal that District 8 has a substantially larger proportion of vacant housing for long-term rent as compared to Jefferson County. There is a demonstrated need to encourage incentives that would allow long-

term tenants to pay lower rents and thus occupy this available, yet currently vacant, housing.

District 8 has an abundance of short-term rentals. Although this housing can be a useful tool in stabilizing housing by lowering the cost of a monthly mortgage payment for the homeowner, only 92 of the 213 registered STRs are host occupied. The non-host-occupied 121 units currently used for short-term rentals, if utilized as a long-term housing option for tenants, would potentially lower the median rent of the district (\$995), allowing for more opportunity and choice for those seeking to live in the resource-rich area, that are currently out-priced from renting.

To stabilize housing for families in District 8, there is a clear need for affordable housing as demonstrated by the finding that 32.1 percent of renters in District 8 are housing cost burdened compared to 16.9 percent of homeowners who are housing cost burdened in Jefferson County. In addition, the majority of District 8 has no units accepting Housing Choice Vouchers (HCV), only a small section of the district, located to the south of the Watterson Expressway, shows HCVs as 1.3 to 4.9 percent of renter occupied units in the area.

Notably, District 8 has fewer eviction filings and unhoused students within the metro council district. The annual eviction filing rate for 2021 was 2.4 percent, substantially lower than the eviction filing rate of 7.5 percent for Louisville/Jefferson County. 2.2 percent of students enrolled in a District 8 school are unhoused, which is lower than the 4.1% of Jefferson County's students that are unhoused.

In the next section, the policy recommendations outline how these findings can be utilized to support opportunity and choice in stabilizing housing for District 8 and greater Jefferson County.



Key policy recommendations that can reduce housing insecurity for families with children in District 8 are based on the [2022 Louisville Housing Policy Road Map](#) compiled by the Metropolitan Housing Coalition. We chose this framework because it is a comprehensive and recent framework that covers 97 housing policies that each contribute to reducing racial and economic disparities present in Louisville. The following recommendations are a selection of 29 policies presented in the 2022 Louisville Housing Policy Road Map that are most relevant to District 8. These recommendations include policy changes at the local and state levels in addition to changes in how local and state agencies deploy federal resources.

Inclusionary Zoning

Phase 3 of LMG's Land Development Code Reform Recommendations recommends the development of an inclusionary zoning ordinance that would require a percentage of developments of a certain size to provide affordable housing. Implementing this ordinance would ensure that all future developments within District 8 that meet the conditions would be required to provide a number of affordable housing units within those developments. It is beyond the scope of this piece to determine how many units in District 8 would qualify given its capacity. Further research to understand this would be useful.

Increased Use of Multifamily Private Activity Bonds to Draw Down 4 Percent Low Income Housing Tax Credits

To increase the access to housing for lower-income families within District 8, so that they may have access to the rich resources

of the community, including nearby schools and non-convenience grocery stores, it is recommended that when new multi-family housing developments are proposed within the district, developers are encouraged or required to seek 4 percent Low-Income Housing Tax Credits. Low Income Housing Tax Credits Program (Housing Credits) through the Kentucky Housing Corporation (KHC) Multifamily Programs Department, promotes the development of low-income rental housing through tax incentives. The program offers eligible property owners a 10-year tax credit for each unit created for low-income families. Eligible activities include new construction or substantial rehabilitation of at least \$20,000 per low-income unit or 20 percent of adjusted basis, whichever is greater. The credit may be obtained in two ways: (1) Automatically if the project will be financed with tax-exempt bonds and (2) through an allocation by KHC from a competitive application process (Kentucky Housing Corporation, 2022).

State Tax Credits for Affordable Housing

To further encourage affordable housing within District 8, stakeholders are encouraged to support the currently proposed House Bill 86 in State Legislature. This bill proposes the establishment of a nonrefundable Kentucky affordable housing credit applicable to income and insurance taxes equal to the amount of the federal low-income housing tax credit. Annual funding for the tax credit (not to exceed \$12.5 million) would further incentive affordable housing developments, and if required of future developments within District 8, would open up opportunities for a diversified housing stock within the district that provide attainable housing for lower-income families.

Activation of Housing Finance Agency Reserves

In the past, Kentucky Housing Corporation has used reserve fund proceeds from mortgage revenue bonds to support down payment and closing cost assistance for extremely low-income homeowners. To further increase housing stability within District 8, it is recommended that this program be re-instituted to provide financial assistance to those most in need to purchase a permanent home within the district. Council members should advocate that KHC reactivate the reserve funds for this purpose once again.

Capital Subsidies for Building Affordable Housing Developments

Using federal funds and local funds, LMG supports capital subsidies for affordable housing through the LAHTF. The District 8 Council Representative can encourage the construction of affordable housing developments in District 8 through promoting this funding.

Project-Basing of Housing Choice Vouchers

Project-based vouchers are part of Louisville Metro Housing Authority's (LMHA) toolkit to provide affordable housing and improve housing choice for the residents it serves. Project-based vouchers are associated with a specific housing unit, which can help reduce some of the barriers associated with housing choice vouchers (HCV) where tenants may face difficulty finding a qualifying rental unit in the private market. LMHA's priorities for using project-based vouchers include providing additional housing choices for low-income households in high opportunity areas and incentivizing developers to preserve or create affordable housing units. Project-based vouchers are also intended to expand housing opportunity for voucher holders in higher rent areas. As demonstrated in **Figure 7** and **Map 4**, District 8 is an area of higher rent compared to the rest of Jefferson County. The median gross rent of District 8 is \$995, \$94 more

than the median gross rent of Jefferson County as whole. In addition to the higher rent, there are very few opportunities for Housing Choice Vouchers to be utilized in the area (**Map 5**). It is recommended that LMHA prioritize the area for project-basing of HCVs as it is a high opportunity area (**Map 5**) that as new developments come forward could create incentives to developers to create new affordable housing units.

Targeted Efforts to Expand the Supply of Rental Housing and Lower-Cost Housing Types in Resource-Rich Areas

District 8, a resource rich area, may be able to expand its supply of rental housing through the Land Development Code Reform's efforts to change the zoning code to allow multifamily housing and other types of lower-cost housing.

Limited Equity Cooperatives

Limited equity cooperatives (LEC) are a homeownership model in which residents purchase a share in a development (rather than an individual unit) and commit to reselling their share at a price determined by formula. This maintains affordability for owners at purchase and over the long term. This is currently not implemented in Louisville. District 8 could serve as a pilot by identifying an appropriate development within the district.

Brownfields

The Brownfield Cleanup Loan Program (BCLP), funded by the federal Environmental Protection Agency and managed by LMG's Office of Advanced Planning & Sustainability, offers below-market rate loans to property owners and potential purchasers of brownfields to support the cleanup of brownfield properties, enabling productive use. While it is beyond the scope of this paper to classify the number of potential brownfield properties in District 8, District 8 has a vibrant business district with many properties that are likely environmentally contaminated, such as former gas stations and drycleaners.

The redevelopment of brownfield sites has been used to increase overall supply of affordable multifamily units in other areas. Redevelopment of brownfields into mixed use buildings wherein commercial uses are located on the first floor and residential housing units are located above commercial spaces works well because it adds a layer between the residents and the brownfield (<https://louisville.edu/cepm/pdf-files/connecting-smart-growth-and-brownfields>). The District 8 Council Representative, along with neighborhood advocates, can work with LMG to develop an inventory of brownfields that have the potential for redevelopment to include new housing units.

Use Of Publicly Owned Property for Affordable Housing

Landbank owned properties through the Louisville CARES and LAHTF are prioritized for reuse as affordable housing. LMG does not have a consistent policy that requires the inclusion of affordable housing units on other publicly owned land. A portion of District 8's public land, such as the Cherokee Golf Course, could be reused for affordable housing development.

Zoning Changes to Allow for Higher Residential Density

Phase 1 of LDC Reform allows for higher residential density through changes that permit accessory dwelling units and allow two dwellings in Multifamily Zoning districts by adjusting density requirements. Other proposed changes in Phases 2 and 3 support zoning changes for higher residential density development.

Zoning Changes to Facilitate the Use of Lower-Cost Housing Types

Phase 1 of LDC Reform allows for the creation of, typically, lower-cost housing types, such as accessory dwelling units and duplexes. Other changes proposed in Phases 2 and 3 support zoning changes for lower-cost housing types (e.g., Tiny House Review).

Accessory Dwelling Units

Accessory Dwelling Units (ADU) are "smaller, secondary residential unit located on the same lot as the main residence" and "provide complete, independent living facilities" (<https://louisvilleky.gov/government/planning-design/accessory-dwelling-units-adu>). ADUs are typically lower-cost housing units because they cost less to construct or convert (<https://localhousingsolutions.org/housing-policy-library/accessory-dwelling-units/>). Of the 6 applications for ADU permit approval in District 8, 5 have been approved (<https://louisvilleky.gov/planning-design/document/adu-logupdated-080322>). ADUs can help provide more affordable housing options in District 8 for families.

Missing Middle Housing

Missing Middle Housing is proposed in Phase 2 of the Land Development Code Reform. Policymakers in District 8 are encouraged to support this recommendation as it would amend the zoning code to encourage middle housing developments, including townhomes, duplexes, triplexes, and courtyard clusters. This recommendation would provide denser, and in turn, more permanent housing opportunities for families to live within the resource rich District 8.

Incentives to Encourage the Development of Lower-Cost Housing Types

LMG offers a variety of incentives that could encourage the development of lower-cost housing types in District 8, including zoning variances that allow higher-density development or other departures from underlying land use regulations, reduced parking requirements that lower land or construction costs by requiring fewer spaces to be provided, and tax moratoria for qualifying structures that lower tax liability for a specified period of time.

Security Deposit and/or First and Last Month's Rent Assistance

Assistance is available through the LMG's Office of Resilience & Community Services, which provides security deposits for people experiencing homelessness. For the total 95 unhoused students attending schools within District 8 (**Figure 14**), and for the 121 households facing eviction (**Figure 10**), this is a necessary service to keep residents of District 8 housed.

State or Local Funded Tenant-Based Rental Assistance

In response to the COVID-19 pandemic, Federal Emergency Rental Assistance funding supported the Financial Assistance Program, administered through the Louisville Metro Government's Office of Resilience & Community Services. This assistance provided limited relief for qualifying households due to limited funding and qualifying program requirements. Fully funded tenant-based rental assistance programs with manageable requirements are recommended to continue to decrease barriers for the 121 households in District 8 (**Figure 10**) facing eviction.

Landlord Recruitment and Retention

Given the lack of units utilizing Housing Choice Vouchers (**Map 5**) within District 8, it is recommended that policymakers encourage Louisville Metro Housing Authority to use various financial incentives to recruit and retain landlords for the Housing Choice Voucher and Project-Based programs. Financial incentives may include providing damage loss payments to owners who agree to accept a reduced security deposit, expediting inspection processes to quicken lease-up times, shifting from annual to bi-annual inspections for selected properties, and providing monetary incentives to landlords to lease new units.

Increased Voucher Payment Standards in High-Cost Areas

To increase housing opportunity for families within the high-cost area of District 8, the implementation of Louisville Metro Housing Authority's (LMHA) Exception Payment Standards is recommended. These exceptions allow for adjusted payment standards to 120 percent of Fair Market Rent in high opportunity tracts and increased payment standards to 110 percent the Metropolitan Area Fair Market Rent or 110 percent of the Small Area Fair Market Rent for Project-Based Voucher units.

Shared Appreciation Mortgages

LMG's Shared Equity Homebuyer Program, through Louisville CARES, and it uses shared appreciation mortgages to provide homeownership opportunities by providing partially forgivable loans to qualified low- and moderate-income homebuyers in higher income neighborhoods, such as many of the neighborhoods in District 8. The program is intended to support qualified homebuyers earning 80 percent area median income or less afford homes that, at fair market value, they would otherwise be unable to afford. In exchange for a partially forgivable loan from LMG to assist with purchase costs, buyers agree to share a portion of their equity upon sale, which will be used to make the house affordable for the next buyer. (<https://louisvilleky.gov/housing/document/louisvillecarespolicymanualjuly162020pdf>)

Enforcement of Fair Housing Laws

LMG Human Relations Commission helps to enforce fair housing law by providing tenants and landlords with information and by investigating complaints of housing discrimination.

Source of Income Laws

In 2020, Metro Council amended Louisville's fair housing ordinance to protect residents with respect to their sources of income, homeless and veteran status, arrest history, and some criminal convictions.

Legal Assistance for Victims of Discrimination

Given the highly homogenous White, non-Hispanic demographics of District 8 (**Figure 1**), those seeking housing in District 8 that may have faced discrimination are encouraged to seek legal assistance. The Lexington Fair Housing Council, a nonprofit civil rights agency, investigates complaints of housing discrimination and provides free advocacy and legal assistance for victims of housing discrimination.

Legal Assistance for At-Risk Renters

Louisville Metro Council passed an ordinance in April of 2021 to provide free legal services to renters facing eviction through partnerships with Legal Aid Society and the Coalition for the Homeless. As noted in the above Eviction section of the report, decreases in monthly eviction filings (**Figure 10**), roughly follow the start dates of local emergency rental assistance programs, such as the adoption of the Right to Counsel ordinance. Policy makers should ensure that residents in District 8 facing eviction filings are notified of their "Right to Counsel".

Foreclosure Prevention Programs

The Team Kentucky Homeownership Assistance Fund, created due to the COVID-19 pandemic, funded foreclosure prevention programs for eligible homeowners. It provided up to \$35,000 of monetary assistance for mortgage, utility,

insurance, property tax, and homeowners' association fees. The income limit for a 4-person household in Louisville/Jefferson County is \$115,350 to qualify for these funds. While it is beyond the scope of this piece to determine how many homeowners within District 8 received this assistance, further research can help to understand how the COVID-19 pandemic impacted families in District 8.

Lead Abatement

Given the median year of structures built in District 8 is 1941 and 92.1 percent of the housing were built before 1980, there is a high chance that many of these structures contain lead hazards that are costly to remediate. The Lead-Safe Louisville Program provided funding to eliminate lead hazards that exist in both owner-occupied and rental units in the Metro Louisville area, especially those in which children under six years of age reside. The website states that applications will open soon for the program. It is recommended that the implementation of this funding include prioritization of the District 8 area to ensure that families are able to mitigate any lead hazards and thus, provide a safe environment for children to live.

Tax Incentives for the Maintenance and Rehabilitation of Unsubsidized Affordable Rental Properties

District 8 is encouraged to partner with privately-owned, non-subsidized rental properties through tax incentives in providing affordable housing in the area. Given the limited number of lower-rent units within the district, policymakers should identify properties facing rising rents and work with current owners to incentivize and support the long-term affordability of these units.

Acknowledgements

Supporting Housing for District 8 Families is a product of the Office of Louisville Metro Council District 8 Councilor Cassie Chambers Armstrong in collaboration with the Metropolitan Housing Coalition and the Center for Environmental Policy and Management (CEPM) at the University of Louisville. The report was authored by Rebecca Halpryn, Sociology Doctoral Student, Claire Johnson, Urban and Public Affairs Master of Urban Planning Candidate, and Dr. Lauren C. Heberle, Associate Professor.

Further thanks to the local agencies and organizations who share their data with us. Graphic Design: Rob Gorstein Design.



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