



HPPI

THE HOUSING PARTNERSHIP, INC.

WEST LOUISVILLE TAX LIEN PROPOSAL

How Kentucky-Based Nonprofits Can Help Solve Blight In
Louisville's West End Through The Ability to Purchase Tax Liens

WWW.WEAREHPI.COM

THE HOUSING PARTNERSHIP, INC.

Our vision is for everyone to have an exceptional housing experience.

Who We Are

The Housing Partnership, Inc. (HPI) is a nonprofit organization dedicated to providing affordable housing in Kentucky for over 30 years.

- Produced 10,000 affordable housing units (multifamily and single family).
- Serves clients with annual incomes typically at or below 80% AMI.
- Renovated 153 vacant single-family homes in the past 3 years, investing \$7.5M, primarily in West Louisville.
 - 60% of homes renovated for sale to homeowners.
 - 40% renovated for leasing to clients not yet ready for homeownership.
- Currently owns 275 single family houses and 900 multifamily housing units in Louisville.



Tax Delinquency Diversion Program Impact

- **Program Overview:**
 - Halts tax lien sales in disadvantaged areas, mainly Louisville's West End (7 years).
- **Challenges:**
 - Louisville Metro Government solely handles foreclosures on vacant and abandoned properties.
 - Overwhelmed capacity, leaving many properties in limbo.
- **Impact on Development:**
 - Affordable housing developers face barriers in acquiring sites to combat blight.
- **Community Risks:**
 - Properties pose safety hazards: shelters for homeless, asbestos, and lead paint.



The Solution

HPI is asking the Kentucky State Legislature to pass legislation that would allow Kentucky-based nonprofits to purchase tax liens of vacant and abandoned properties for the development of affordable housing.

- **Benefits:**

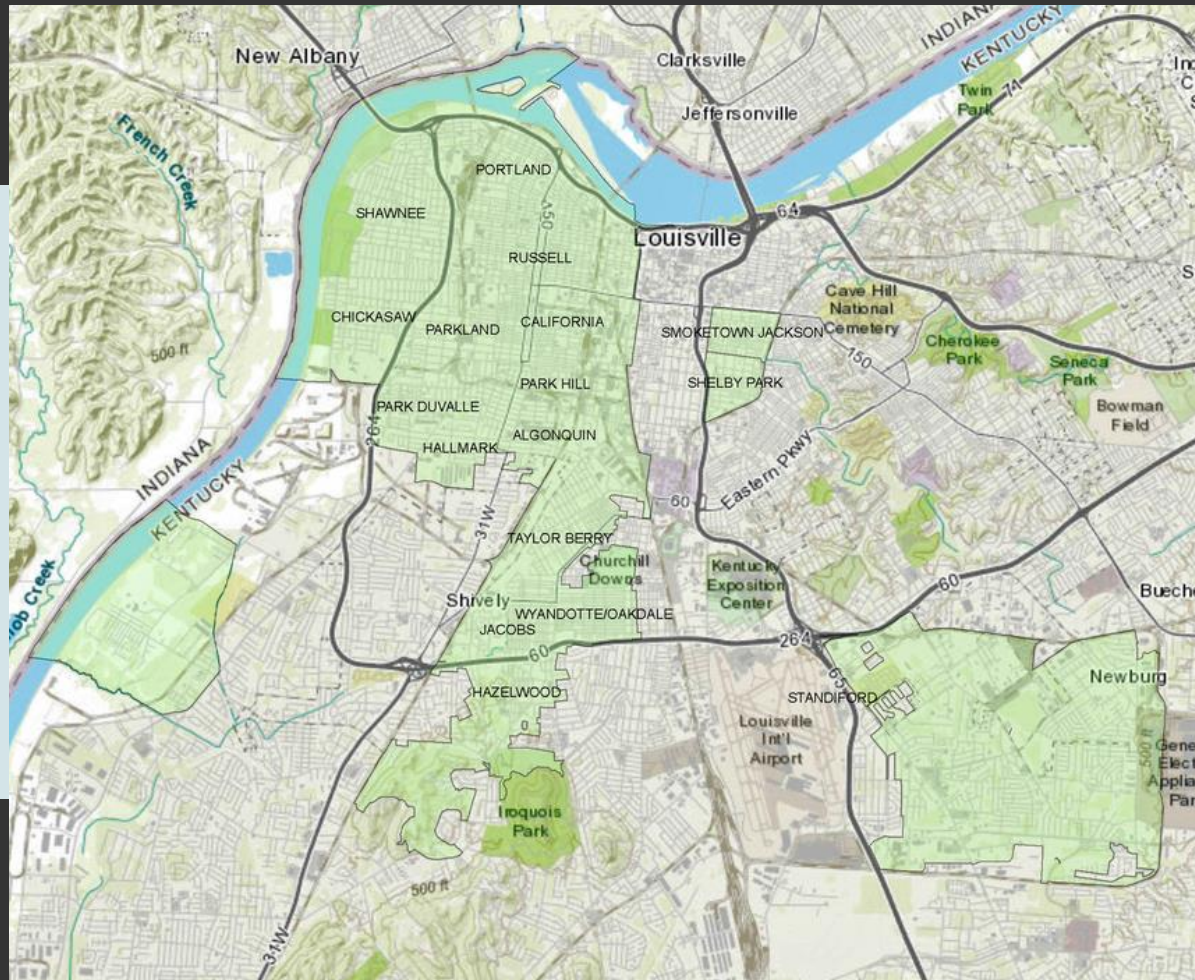
- Eases Louisville Metro Government's foreclosure burden.
- Converts vacant properties into affordable housing.
- Increases housing availability without displacing residents.

- **Process:**

- Nonprofits acquire tax liens, foreclose, and redevelop properties.
- Estimated cost of foreclosure: \$8,500 per property.

- **Impact: Revitalize blighted properties in West Louisville, turning them into community assets.**

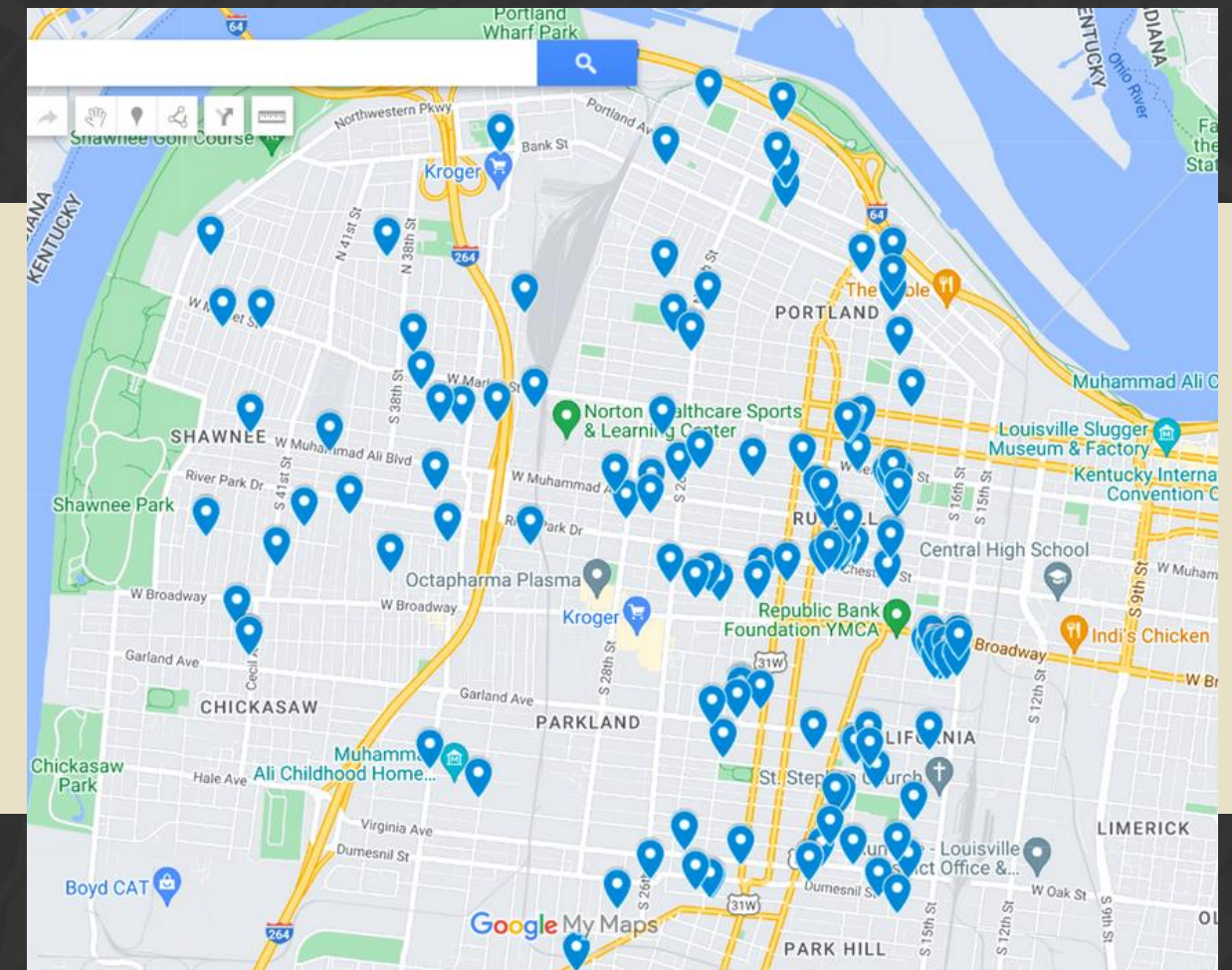
AFFECTED AREAS



Through the Tax Delinquency Diversion Program, Louisville Metro Council designated nearly 20% of Jefferson County as Priority Project Area in 2017. A major concentration of this designation is located in West and South Louisville.

HPI HOMES

HPI has brought 153 homes back to productive use within the affected area. Access to vacant and abandoned properties near these homes will allow us to remove blight in a strategic way.



PROPOSED LEGISLATION CHANGE

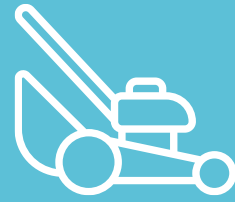
99.727 Consolidated local government may establish a tax delinquency diversion program for blighted property.

(5) Certificates of delinquency related to property approved by the governing body of the consolidated local government for inclusion in the tax delinquency diversion program shall not be available for purchase by any person for a period of up to five (5) years following the year in which the property is placed in the tax delinquency diversion program **provided however, a certificate of delinquency may be purchased by a governmental entity, quasi governmental entity or a non-profit that meets all of the following qualifications : 1) is currently registered with the Kentucky Secretary of State and 2) has been registered with the Kentucky Secretary of State for a minimum of 5 years and 3) who has a principal place of business in Kentucky and 4) has included in its stated purpose the provision of housing for disadvantaged people.**

COMMUNITY BENEFIT



Relieves the burden currently placed on Louisville Metro Government to facilitate and fund all foreclosures.



Alleviates Louisville Metro Government's maintenance of vacant properties, saving the taxpayers money.



Reinstates the receiving of taxes as vacant properties are brought back to use, benefiting Louisville Metro Government and the TIF overseen by the West End Opportunity Partnership.



LOOKING FORWARD



The Housing Partnership, Inc. has a 5-year plan to create 50 new affordable homes a year, for a total of 250 new homes in West Louisville. The majority of these homes will be new modular construction, allowing this to be a scaled project. To accomplish this plan, HPI needs the ability to gain access to vacant and abandoned lots that are currently stuck in limbo.

THANK YOU

Contact

The Housing Partnership, Inc.

Andrew Hawes, President

ahawes@wearehpi.org

502-814-2727

