

## Timeline of Discussions Between Executive Committee and Seed Capital Kentucky

July 16 - August 29, 2016

July 16, 2016

- Executive Committee convened working retreat to understand management structure/business model for Seed Capital Kentucky and the role of the Community Council and Executive Committee within that structure.
- Invited Seed Capital Kentucky board member and representatives to discuss their structure and vision for West Louisville Food Port Project.
- Recognized that Seed Capital's development project had transformed into a community development project with no real decision making framework for community involvement
- We defined Seed Capital's perception of the role of the Community Council and its Executive Committee
- Seed Capital asked us to present them with a plan for a community focused decision making framework/structure that could be considered by their board for adoption into their bylaws
- Executive Committee asked Seed Capital representatives to excuse themselves from the meeting so we could strategize for the community without their input
- Executive Committee decided to reconvene before the Aug 29th Community Council meeting to develop plan for decision making framework leading to Community Council independence from Seed Capital while continuing to give credence to project decisions related to community benefits. Seed Capital reps would not be invited to this meeting.

July 27, 2016

- Seed Capital Kentucky representative contacted us requesting opportunity for Caroline Heine to share important information with Executive Committee at next meeting
- Many of our members were out of town and unable to meet before our scheduled Aug 16th, 2016 meeting

August 15, 2016

- Seed Capital Kentucky representative contacted Executive Committee to confirm our meeting date on Aug 16th and Caroline Heine's opportunity to speak with group.
- Executive Committee added Caroline Heine to our agenda

August 16, 2016

- Caroline Heine meet with the Executive Committee. Informed us:
  - FarmedHere pulled out of the project approximately 3 weeks earlier (Side note: about the time we were contacted on July 27th)
  - Without anchor tenant the WFPL business model will not comfortably support the new market tax credits debt package to provide all of the jobs, facility, and community spaces we planned together
  - Seed Capital KY had been meeting with architect and developer to determine ways to scale down the project. A supportable scaled down project would be a basic corrugated warehouse with no community spaces (absent Jefferson Plaza, Farmer's Market Space, event space, education rooms, access road)
  - Anchor tenant subsidized rents for other small business tenants. Without anchor tenant rents would need to increase substantially beyond the market rate for the smaller tenants.

- Informed Executive Committee that Seed Capital KY waited to get input from the Executive Committee before making any decision but needed to make a decision soon.
- Executive Committee asked the following:
  - How did the Section 108 HUD Loan Guarantee factor into debt package?
    - Response:
      - Louisville Metro Government (LMG) approached Seed Capital KY about a year ago regarding the possibility of using a newly discovered source of funding for the project.
      - LMG was unsure of process for activating the newly discovered funding
      - Seed Capital KY did not view it as a viable alternative, never considered it in debt package, & looked for other ways to structure debt package
      - Seed Capital KY was made aware of the planned proposed use of the Section 108 HUD Loan Guarantee when the community comment window was opened
      - Scaled down project would primarily be funded as a result of receiving the Section 108 HUD Loan Guarantee
- Executive Committee response:
  - Better to cancel the project. More detrimental to community not receiving the benefits we planned together.
  - Executive Committee will continue to work with Community Council to further develop the work completed to date.
  - Executive Committee will propose to the Community Council a plan to develop a framework and strategy to continue our involvement with LMG to work with developers interested in large scale projects on LMG owned vacant/abandoned properties
  - Executive Committee requested time to draft a statement to send to Community Council before releasing the news to the media, but understood it was important for Seed Capital to control the flow of information and narrative.
  - Executive Committee (without Seed Capital KY input) will prepare a comment regarding the use of Section 108 HUD Loan Guarantees in West Louisville.
- Seed Capital Kentucky response:
  - For the betterment of the community, will regretfully cancel the West Louisville Food Port Project.
  - Will work on a communication timeline and inform the Executive Committee of that timeline
  - Requested Executive Committee allow Seed Capital to review for consistency our statement to the Community Council

August 20, 2016

- Sent statement to Mayor Fischer, Councilwoman Cheri Bryant Hamilton, and Courier Journal
- Stated the Executive Committee's commitment to the Community Council and working with LMG and potential developers interested in large scale projects on LMG owned West Louisville vacant/abandoned properties.

August 29, 2016

- Convene full Community Council at Louisville Urban League at 6pm
- Propose a strategy for moving forward.

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