



The Downtown Loan Funds

Fund Overviews & Portfolios

**Downtown Housing Assistance Fund
DHA, LLC**

**Downtown Commercial Loan Fund
DCLF, LLC**

July 2022



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The Louisville Downtown Loan Funds

Overview

The most vibrant downtowns across the country are those with recreational opportunities, unique attractions, learning centers, a mix of commercial activities, and a strong residential base.

In response to the 2001 recession and the Great Recession in 2008, the Louisville Downtown Development Corporation (DDC) established the Downtown Loan Funds through a public-private partnership with Louisville Metro Government and many of Louisville's local and regional corporate leaders. The events of 2020 have helped to emphasize the importance of these funds as we look to help Downtown Louisville recover from the dual impacts of the COVID-19 pandemic and the protests.

The **Downtown Housing Assistance Fund (DHA)** was created in 2001 and was designed to assist urban developers in financing their Downtown housing projects, fostering the growth of residential development in Downtown Louisville and its adjacent neighborhoods. In 2008, encouraged by the success of the housing fund, many of DHA's members helped establish the **Downtown Commercial Loan Fund (DCLF)** with a complementary mission of fostering the growth of Downtown's commercial sector.

Both organizations, structured as gap financing programs and operating as revolving loan funds, assume subordinate positions to primary financing and offer below-market financing terms. With combined assets of \$11.5 million, the funds are enhanced by available New Markets Tax Credits and Historic Tax Credits and have been leveraged to finance over \$330 million in Downtown housing and commercial projects since their inception. The projects funded by both loan funds have added to a renewed sense of confidence in the city's core and have helped to create an urban environment in which people want to work, play, and live.

The structure of both funds emphasizes strong private sector management through separate and independent Loan Review Committees (LRC) comprised of members of each fund. The participation of the private sector is through investment in a privately capitalized entity, not through low interest subsidized loans, grants, or CRA credits. The establishment of this mechanism provided a way for local financial institutions to feel more at ease with Downtown development in a gradual way, and thus led to the availability of a greater degree of financing by these institutions in the Louisville market. The direct involvement of the investors who sit on the LRCs to review and approve loan requests further invests these businesses in both the success of the projects and the overall missions of DHA and DCLF.

Guided by seasoned banking professionals, the funds have not only facilitated significant housing and commercial development but have also increased private sector awareness of the additional investment opportunities Downtown. Through its partnerships with the banking community, local business leaders, local developers, Metro Government, and related non-profits, the funds have been able to effectively move key projects forward and play a central role in encouraging strategically placed development in greater Downtown Louisville.



The Downtown Housing Assistance Fund

Since its inception in 2001, DHA has had remarkable results. There have been no loan defaults and all borrowers have paid in full. Consequentially, the program has also been able to fund projects from repaid loans made earlier in the fund's existence. The 779 units directly funded by the program, with a combined investment of over \$260 million, have aided in the creation of a critical mass of new market rate housing Downtown. Encouraged by the market demand exposed by these projects, more than 1,000 housing units, resulting from investments of over \$500 million, are either completed or in development at this time, without assistance from DHA. This level of residential development has contributed to an overall renewed interest in Downtown throughout the community. As a result of its success, the Council of Development Finance Agencies (CDFA) selected DHA as the best revolving loan fund program in the nation at their 2008 Annual Development Finance Summit in St. Louis, MO.

The following table summarizes projects directly funded by DHA (descriptions of each project begin on page 9):

Project	Project Cost	Origination Date	DHA Investment	# Units
Hancock Street Firehouse	\$300,000	October 2000	\$45,000	3
Louisville Glassworks Lofts	\$9,000,000	June 2001	\$550,000	42
Waterfront Park Place	\$60,000,000	September 2001	\$2,500,000	87
The St. Francis	\$7,000,000	February 2002	\$1,325,000	58
The 550 Lofts	\$1,000,000	January 2003	\$92,000	8
The Levy	\$2,700,000	July 2003	\$190,000	19
Park Place Lofts	\$3,000,000	May 2006	\$100,000	22
The Henry Clay	\$20,000,000	August 2006	\$200,000	44
ZirMed Tower	\$25,000,000	January 2007	\$600,000	15
Whiskey Row Lofts	\$10,500,000	April 2010	\$900,000	32
Fleur de Lis	\$30,000,000	June 2010	\$1,000,000	82
The Quad Apartments	\$3,500,000	March 2011	\$476,000	28
Park Edge	\$1,222,000	December 2011	\$160,000	9
Falls City Lofts	\$4,200,000	March 2012	\$360,000	18
Guthrie Coke Lofts	\$3,417,000	September 2012	\$320,000	16
310 @ NuLu	\$13,000,000	March 2014	\$300,000	173
111 Whiskey Row	\$37,500,000	June 2017	\$400,000	8
The Audubon	\$17,615,000	March 2022	\$1,000,000	71
Myers Hall	\$11,352,000	May 2022	\$518,806	44
Total	\$260,306,000		\$11,036,806	779



The Downtown Commercial Loan Fund

Like the success of the housing fund, DCLF has leveraged its \$4.3 million dollars of gap financing into over \$72 million dollars of commercial development in Downtown Louisville and its edge neighborhoods. With most of its loans originated in the past three years, DCLF has financed an eclectic range of projects which have brought new jobs to Downtown while fostering the preservation and adaptive reuse of existing Downtown properties. These projects range from the revitalization of historic Whiskey Row to exciting new developments in the SoBro and NuLu neighborhoods.

The following table summarizes projects directly funded by DCLF (descriptions of each project begin on page 29):

Project	Project Cost	Origination Date	DCLF Investment
Indatus	\$7,654,000	December 2012	\$700,000
Off Broadway Lofts	\$2,800,000	June 2014	\$561,800
111 Whiskey Row	\$37,500,000	June 2017	\$1,000,000
Rabbit Hole Spirits	\$15,000,000	August 2017	\$680,000
Guthrie-Coke Building	\$50,000	November 2017	\$50,000
Solid Light	\$3,865,000	October 2017	\$659,310
Church Key	\$5,505,000	August 2019	\$680,000
Total	\$72,374,000		\$4,331,110



Program Criteria

In order to meet the goals established for the funds and to effectively manage the funds' assets, both DHA and DCLF have independent Loan Review Committees (LRC) comprised of representatives from most of the funds' bank investors. Chosen representatives have strong backgrounds in banking or finance and experience in credit underwriting. The LRCs review loan applications considering the merits of the application based on the following program criteria:

1. Development of good quality high density housing or commercial spaces
2. Development in high priority areas, focused on the core of Downtown and its edge neighborhoods
3. Projects that require secondary financing for development
4. Development of mixed-use urban design projects with retail on the ground floor
5. Projects that include adaptive reuse/historic preservation
6. Development using energy efficient/sustainability elements
7. Development that replaces surface parking lots
8. Projects that provide infill development



Loan Processes

Application:

Development entities seeking a loan from either fund must first submit a loan application for consideration. The application includes a project summary, business plan, project costs, financial projections, evidence of and terms of senior financing, borrower and guarantor financial statements, tax returns, and all relevant due diligence materials requested by the senior lender. Following a meeting with the developer and an intake review of the application, if the project fits the parameters of one of the programs, then the request will be forwarded to the LRC member assigned to be the Underwriter for that specific project. Following his/her review of the project and of the supporting materials, the Underwriter will make a recommendation to the relevant LRC. It is possible for a loan application for a mixed-use development to be considered by both funds. In this case, one member from both committees is assigned as a joint Underwriter. Should both LRCs approve the loan, then they will typically fund the project *pari passu*.

Approval:

Each LRC is empowered to approve loan requests and determine proposed loan terms and loan structure. The committee exercises diligent credit analysis and underwriting procedures and approves requests in a manner consistent with safe and sound lending practices. The committee's review of the project will consider underwriting analysis and the following criteria:

1. Is the project consistent with the program criteria and the goals of the fund?
2. Does the project represent realistic estimate of construction costs and project expenses? Are unit rental/sales projections representative of the market?
3. Can the project's cash flow be expected to cover the primary project financing and that represented by the DHA and/or DCLF financing?
4. Does the requested amount of the loan represent a reasonable portion of the total project cost? Is there Sufficient equity investment by the developer?
5. Will the DHA and/or DCLF loan be adequately secured with the available collateral and guarantees?

If the project is deemed to be viable after LRC review, the committee will structure loan terms that are favorable for the project's success, yet consistent with strong lending practices. Consent of at least the majority of the LRC members is required for approval of all loan requests. Super majorities or unanimous consent are required for certain loan amounts.

A vote of the committee determines approval or denial of the loan. If the decision is affirmative, the response includes a letter of commitment from the fund indicating the total amount of the approved loan and the specific loan terms, conditions, and requirements. If the Borrower accepts the proposed terms, DDC staff and legal counsel begin the loan closing process. All necessary due diligence materials are reviewed and approved, including appraisal, environmental reports, title work, insurance coverage, evidence of licensing and zoning compliance, survey, valid organization documentation and any other documentation deemed necessary. Loan fund documentation is coordinated with the senior financing documentation as appropriate. The DDC staff and legal counsel participate in the loan closing transaction, which usually coincides with the senior financing transaction.



Loan Term Guidelines:

Primary to the success of the projects requesting financing from the funds are the favorable loan terms offered by both DHA and DCLF. Below market rate terms are designed to reward key project goals and to meet the needs of the underserved financing market. Lower rates, combined with the funds' willingness to bear part of the risk, bring benefits to the borrower, Louisville Metro, and Downtown. Terms may incorporate some or all of the following conditions:

1. Loans may be subordinate to the senior financing
2. DHA and or DCLF loans are limited to a maximum 25% of the overall project costs
3. The interest rate will be targeted at 1% below the senior financing rate with a floor of 4%
4. The maturity date will not exceed the senior lender's maturity date
5. Loan-to-Value must meet or exceed 100% of the secured loan collateral
6. Developer(s) are required to provide full and adequate personal guarantees. These guarantees may be subordinate to the senior lender guarantees.
7. Origination fees are targeted at between 1% to 2%, based on the duration and complexity of the transaction
8. Ongoing due diligence requires annual reporting, including: project financial statements, copies of tax returns, guarantor financial statements and tax return copies, evidence of valid insurance and current tax payments, and any additional information as requested.

Monitoring:

Using DDC staff resources, both funds service all loans originated since 2017. DHA and DCLF have policies in place to address loan delinquencies and loan restructuring should the need ever occur. The DDC staff conducts on-going loan compliance and borrower communication.



Portfolio

Downtown Housing Assistance (DHA) Fund



Hancock Street Firehouse



Located at 221-223 South Hancock Street, the old Louisville No. 2 Fire Station has been transformed into three loft-style apartments. This was the first project closed by the Downtown Housing Authority. The building, used as a fire station from 1869 to 1964, also contains office and commercial space for lease on the first floor.

Origination Date:	October 2000
Maturity Date:	November 2011
Original Loan Amount:	\$45,000
Loan Balance:	PAID OFF
Developer:	Ann Hargis, Gail Schwartz



Louisville Glassworks Lofts



The Glassworks Lofts is housed in the former Snead Manufacturing Building, an eight-story building at 8th and Market Streets that was the first concrete structure built in Kentucky when completed in 1910. By 1990, the property had fallen into disrepair and was mostly vacant. The Snead Building was redeveloped into a dynamic and creative mixed-use project that epitomizes the excitement and vitality of downtown living. The first five floors a mixture of hot and cold glass art studios and commercial office space. The upper three floors contain 42 loft units in a variety of configurations and sizes providing unencumbered views of the city in all directions.

Origination Date:	June 2001
Maturity Date:	June 2014
Original Loan Amount:	\$550,000
Loan Balance:	PAID OFF
Developers:	City Properties Development, LLC



Waterfront Park Place



Waterfront Park Place defined a new generation of catered urban living in Downtown. Located on the edge of Waterfront Park, 87 condos offer real estate ownership within walking distance of Downtown attractions, amenities and workplaces. From award winning masonry to an exterior constructed of over 75% glass, the entire living environment is designed to provide an unparalleled connection to the city. Every residence features a private balcony with a view of the Ohio River and the Downtown skyline, and many residences include private terraces.

Origination Date:	September 2001
Maturity Date:	September 2006
Original Loan Amount:	\$2,500,000
Loan Balance:	PAID OFF
Developer:	Waterfront Park Place, LLC



The St. Francis



This historic property on West Broadway was constructed in 1913 to serve as Louisville’s YMCA. For the past 25 years it has been occupied by St. Francis High School, an innovative Downtown center of learning and academic excellence. In 1999, the property was renovated and used for the high school as well as for 58 apartment units and 18,000 square feet of commercial/retail space on the first and second floors. The uniqueness of this project is further seen in the mix of units and its funding sources. Of its 58 upscale studio, one-bedroom, and two-bedroom apartments, 10 are reserved by the Housing Authority of Louisville for its tenants.

Origination Date:	February 2002
Maturity Date:	December 2053
Original Loan Amount:	\$1,325,000
Loan Balance:	\$1,269,630
Developer:	The St. Francis Limited



The 550 Lofts



This project, located at 550 South Fifth Street, is a renovation of an old office building. It is a multi-use facility with eight condominiums on the upper floors and retail/light commercial space on the first floor. Covered parking is located on the first floor.

Origination Date:	January 2003
Maturity Date:	January 2004
Original Loan Amount:	\$92,000
Loan Balance:	PAID OFF
Developer:	550 South Fifth Street, LLC



The Levy



This project, located at Second and Market Streets, is a renovation of the old Levy office building. It is a multi-use facility with 19 condominiums on the upper floors and retail/light commercial space (Old Spaghetti Factory Restaurant) on the first floor. For the last decade, it has served as a premier example of historic conversion into twenty-first century urban housing.

Origination Date:	July 2003
Maturity Date:	November 2013
Original Loan Amount:	\$190,000
Loan Balance:	PAID OFF
Developer:	Leestown Partners



Park Place Lofts



This 50,000 square foot project, located at Preston and Market Streets, is a multi-use facility with 22 residential condominiums on the upper floors and 12 retail/light commercial units on the first floor. The project was designed to blend into the East Main Street architecture. Completed in 2006, the residential units have sold out and most of the retail space is rented.

Origination Date:	May 2006
Maturity Date:	April 2007
Original Loan Amount:	\$100,000
Loan Balance:	PAID OFF
Developer:	LHD East Main LLC



The Henry Clay



Located at the southwest corner of Third and Chestnut Streets, this \$20 million rehabilitation of the former Henry Clay Hotel and YWCA saved one of the city's most endangered historic buildings. The redevelopment of the project was challenging because of its sensitive historic preservation needs. The Henry Clay became one of the largest historic renovation projects in the country and is one of the finest buildings in the neo-classic revival style that grew in popularity during the 1920s era.

The lower floors house commercial and event spaces, while the upper floors provide 44 units of residential space. The Grand Ballroom and the Elks Room were preserved and renovated to their former glory. A two-story rooftop garden available for private events was carved out of the fourth and fifth floors.

Origination Date:	August 2006
Maturity Date:	December 2012
Original Loan Amount:	\$200,000
Loan Balance:	PAID OFF
Developer:	City Properties Development LLC



ZirMed Tower



A \$25 million, 12-story contemporary glass building that houses fifteen condominiums, some with rooftop decks overlooking the city, the ZirMed Building features a 285-car garage, restaurant, and the state-of-the-art headquarters for ZirMed, a fast-growing Louisville-based health care technology company. Since completion in 2008, the building has served as a significant anchor in along the western edge of Market Street.

Origination Date:	January 2007
Maturity Date:	April 2020
Original Loan Amount:	\$600,000
Loan Balance:	PAID OFF
Developer:	City Properties Development LLC



Whiskey Row Lofts



The west end of Whiskey Row is a mixed used development project located in the heart of Downtown right next to the KFC Yum! Center, comprised of 120,000 square feet of redeveloped historic buildings as well as new construction. The corner building was once the L&N Railroad headquarters, and other occupants of this site were the old Galt House and various pre-prohibition distilling companies. There is an interior courtyard that provides natural light, and much of the historic nature of the building has been kept intact, including the high ceilings, large windows, and skylights. This is a true mixed-use development, including residential, restaurants, office space, and event space.

Origination Date:	April 2010
Maturity Date:	April 2017
Original Loan Amount:	\$900,000
Loan Balance:	PAID OFF
Developer:	CITY Properties Group



Fleur de Lis



Located by Slugger Field, the Fleur de Lis on Main is a mixed-use development which includes 82 condos with a variety of different floorplans, as well as retail and commercial space on the first floor. There are private balconies for each apartment and the building includes a courtyard and rooftop garden. Apartments include luxury amenities.

Origination Date:	June 2010
Maturity Date:	June 2011
Original Loan Amount:	\$1,000,000
Loan Balance:	PAID OFF
Developer:	Fleur de Lis Development LLC



The Quad Apartments



The Quad is a development in Liberty Green that caters to the environmentally conscious and the urban lifestyle. It is advertised as being attractive for those searching for an urban lifestyle. The Quad is in close proximity to the NuLu neighborhood and the Medical District. Backyard gardens and private garage parking are available. The architectural style of shared walls between the units makes the development more energy efficient.

Origination Date:	March 2011
Maturity Date:	September 2020
Original Loan Amount:	\$476,000
Loan Balance:	PAID OFF
Developer:	City Properties Group, AU Associates, and the Weber Group



Park Edge



This nine-unit housing development, located in the planned development community of Liberty Green, offers a combination of one bedroom and studio apartments within walking distance of the Medical District, Downtown Louisville, and the NuLu neighborhood. A \$1.2 million project, Park Edge offers adjacent surface parking for residents and pedestrian proximity to all Downtown Louisville has to offer.

Origination Date:	December, 2011
Maturity Date:	May 2023
Original Loan Amount:	\$160,000
Loan Balance:	PAID OFF
Developer:	Park Edge, LLC



Falls City Lofts



Redeveloped by a group of six investors, Falls City Lofts transformed the former Bacon's Dry Goods Store into 18 condominium units that range in size from 1,100 to 1,800 square feet. As one of Downtown Louisville's remaining pre-Civil War structures, Falls City Lofts offers housing units with 13-foot ceilings and exposed brick walls. A \$4.2 million project, Falls City Lofts plans to offer custom finishes at market-rate prices.

Origination Date:	March 2012
Maturity Date:	September 2015
Original Loan Amount:	\$360,000
Loan Balance:	PAID OFF
Developer:	Falls City Lofts, LLC



Guthrie Coke Lofts



Constructed in the 1880s, the Guthrie Coke Building originally housed apartments on the third and fourth floors with retail on the ground level. 130 years later, a development team led by City Properties Group acquired the building for \$1.2 million and began bringing it back to its originally intended use. With a total of sixteen apartments on the upper floors, 10,000 square feet of office on the second floor, and space for three retail businesses on the first floor, the Guthrie Coke Building offers a mix of uses that are contributing to the revitalization of South Fourth Street.

Origination Date:	September 2012
Maturity Date:	February 2019
Original Loan Amount:	\$320,000
Loan Balance:	PAID OFF
Developer:	GC Owner, LLP



310 @ NuLu



Upon completion in 2015, this 173-unit apartment project created market rate rental product that is conveniently situated on the edge of NuLu in close proximity to the Medical District. Three separate buildings house the 173 apartments, with one- and two-bedroom units available.

Origination Date:	March 2014
Maturity Date:	August 2016
Original Loan Amount:	\$300,000
Loan Balance:	PAID OFF
Developer:	Jefferson Street Partners, LLC



111 Whiskey Row



111 Whiskey Row combined three historic buildings and continued the restoration of historic Whiskey Row in the heart of Downtown Louisville. Tragically gutted by fire in 2015, the project saved the famed facades and transformed the spaces into a destination location anchored by the Duluth Trading Co. and several unique restaurants. The upper floors offer modern office suites and eight market rate apartments with views of Downtown, Waterfront Park and the Ohio River.

Origination Date:	June 2017
Maturity Date:	June 2024
Original Loan Amount:	\$400,000
Loan Balance:	\$400,000
Developer:	MSR Owner, LLLP



The Audubon



Scheduled for completion in March 2024, this mixed-use project located in the historic warehouse district of the East Portland neighborhood will provide 71 market-rate apartments and over 37,000 square feet of commercial space on the doorstep of Phase IV of Downtown Louisville's Waterfront Park. The adaptive re-use development consists of a historic group of three masonry and timber warehouse buildings along a brick paved road, with most of the exposed brick, wood beams, and historic windows preserved.

Origination Date:	March 2022
Maturity Date:	March 2029
Original Loan Amount:	\$1,000,000
Loan Balance:	\$1,000,000
Developer:	Audubon Wizard QOZB, LLC



Myers Hall



Built in 1900 and the former home of the University of Louisville's School of Dentistry, this adaptive re-use project will create 44 one- and two-bedroom efficiency apartments for medical residents, workers, and doctors in the heart of Downtown Louisville's LouMED medical district.

Origination Date:	May 2022
Maturity Date:	April 2029
Original Loan Amount:	\$518,806
Loan Balance:	\$518,806
Developer:	Myers Hall QOZB, LLC



Portfolio

Downtown Commercial Loan Fund (DCLF)



Indatus



Originally the headquarters of Four Roses Bourbon and registered as a Historic Building for Art Deco Design in Kentucky, this adaptive reuse development brought a full renovation to the 55,000 square foot space and transformed the property into the headquarters for the software companies Indatus and Mocura. The project brought 100 new jobs to Downtown Louisville and contributed to the continued redevelopment of East Main Street.

Origination Date:	December 2012
Maturity Date:	February 2019
Original Loan Amount:	\$700,000
Loan Balance:	PAID OFF
Developer:	Indatus Main, LLC



Off Broadway Lofts



This historic renovation of the 16,000 square foot Wright Taylor Building, built in 1928, created the space for the Mercury Ballroom, a 900-seat event venue managed by Live Nation which has become a fixture in the Louisville music scene. The success of the Mercury Ballroom has contributed to the vibrancy of the South Fourth Street district and drawn numerous local and regional visitors Downtown since its opening.

Origination Date:	June 2014
Maturity Date:	March 2017
Original Loan Amount:	\$561,800
Loan Balance:	PAID OFF
Builder/Developer:	Off Broadway Lofts, LLC and Off Broadway Owner, LLC



111 Whiskey Row



111 Whiskey Row combined three historic buildings and continued the restoration of historic Whiskey Row in the heart of Downtown Louisville. Tragically gutted by fire in 2015, the project saved the famed facades and transformed the spaces into a destination location anchored by the Duluth Trading Co. and several unique restaurants. The upper floors offer modern office suites and eight market rate apartments with views of Downtown, Waterfront Park and the Ohio River.

Origination Date:	June 2017
Maturity Date:	June 2024
Original Loan Amount:	\$1,000,000
Loan Balance:	\$1,000,000
Developers:	MSR Owner, LLLP



Rabbit Hole Spirits



Continuing the urban bourbon renaissance, Rabbit Hole Distillery was completed in June 2018 and added another award-winning Downtown distillery to Louisville's Bourbon District. A combination of new construction and the adaptive reuse of an old warehouse, Rabbit Hole is located in the heart of the NuLu neighborhood and brought a modern twist to the ancient art of bourbon crafting. The Bourbon District, comprised of seven Downtown distilleries and other attractions, is a uniquely Louisville and has become a destination location for guests and visitors across the nation.

Origination Date:	August 2017
Maturity Date:	August 2022
Original Loan Amount:	\$680,000
Loan Balance:	PAID OFF
Developer:	Rabbit Hole Spirits, LLC



Guthrie-Coke Building



Originally restored with funding from DHA in 2012, DCLF provided funding to complete restoration of a first-floor commercial space which is now home to a restaurant and tiki bar fronting Chestnut Street. This loan helped fully lease out the ground floor of the building and add additional vitality to the South Fourth Street district.

Origination Date:	November 2017
Maturity Date:	November 2022
Original Loan Amount:	\$50,000
Loan Balance:	\$4,584
Developer:	GC Owner, LLLP



Solid Light



This adaptive reuse of a 55,000 square foot old warehouse and truck maintenance plant in the SoBro neighborhood brought Solid Light's design and production teams under one roof and relocated fabrication jobs from Southern Indiana to this edge neighborhood just south of Broadway. A nationally renowned company, Solid Light provides unforgettable experiences for visitors at museums and public spaces across the country.

Origination Date:	October 2017
Maturity Date:	October 2027
Original Loan Amount:	\$659,310
Loan Balance:	PAID OFF
Developer:	Cynthia Torp Properties, LLC



Church Key



Located on the southeast corner of Market and Hancock Streets, this project is adapting a 20,000 square foot church into a restaurant and event space in the NuLu neighborhood. The development includes a new two-story building on the site of the old rectory that will help recreate the streetscape on that section of Market Street and enclose a 4,000 square foot courtyard providing outdoor space for events and al fresco dining.

Origination Date:	August 2019
Maturity Date:	August 2026
Original Loan Amount:	\$680,000
Loan Balance:	\$664,250
Developer:	Kirche, LLC



Collaboration = Success

The creation of DHA and DCLF provided an excellent mechanism for stimulating the growth of Downtown housing and commercial development, and in turn spurred a Downtown development movement. The funds' loans have contributed to a growing regional interest within the development community over the past several years. This growth in interest can be attributed, in part, to the long-term viability of Downtown Louisville. The primary reason the funds have succeeded was because all interested parties – the city, the financial community, the private sector, and developers interested in Downtown growth – shared a common vision of a thriving Downtown. In order to reach that vision, they came together to create a simple, effective, and feasible solution that they could all agree upon and advocate.

Rather than merely providing some type of public subsidy program, the designers of both funds believed it was important to bring the local financial institutions into the program. They saw this as a relatively low-risk method for financial institutions to become familiar with Downtown development as a good investment, and as a method to reduce the equity developers were being forced to come up with in order to even broach the potential of financing.

These efforts have made a noticeable difference, not just in improving Downtown, but in changing people's perceptions of what the Downtown can become. Discussions regarding the future of Downtown are now pervaded by impatience, rather than indifference.

The challenges posed by the Covid-19 pandemic and the protest movement of 2020 only serve to highlight the importance of the missions of both the Downtown Housing Assistance and Downtown Commercial Loan Funds. As we look into the future, both DHA and DCLF are poised to provide meaningful assistance to the recovery and continued development of Downtown Louisville.