

BUSINESS FIRST

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Property acquired for downtown Louisville apartments for single parents

Business First of Louisville - by [John R. Karman III](#) Staff Writer

Family Scholar House Inc. has moved one step closer to its plan to build 54 downtown apartments to accommodate low-income single parents pursuing their college education.

Last month, the Louisville-based nonprofit organization acquired the former Jim Cooke Buick dealership site at First and Breckinridge streets for the project, according to Cathe Dykstra, Family Scholar House president and CEO.

The group also is close to a deal to either buy or lease an adjoining building, the former Villager Lodge motel, which once was part of the old San Antonio Inn property, she said. Plans call for renovating the former Villager Lodge and converting it into 21 apartments.

The buildings on the old car dealership site will be demolished to make way for three new structures — two apartment buildings with a total of 33 units, and an academic services center that will provide educational advising and support, case management and community meeting space.

Office space, a children's library and a playground also are planned as part of the project, which is called Downtown Scholar House. It is modeled after Louisville Scholar House, a 56-unit complex that opened in 2008 just west of the **University of Louisville's** Belknap Campus.

Both of the complexes will be operated by Family Scholar House, an organization that started in 1995 as Project Women Inc. The complexes will serve single women or men who are raising their children while pursuing college degrees full time.

Hope is to open facility in spring 2011

Much of the \$10.4 million Downtown Scholar House project is being funded through low-income federal tax credits allocated by the **Kentucky Housing Corp.**, according to Dykstra and Jacob Brown, president of Marian Development Group LLC, the project's developer.

The sale of those credits to investors is expected to generate \$6.1 million.

Most of the remaining money for the project is to come from a loan from **Citizens Union Bank** and Family Scholar House fund-raising.

Brown said he hopes to have financing complete and an agreement in place on the Villager Lodge property in the next few weeks.

The goal is to have Downtown Scholar House open during the 2011 spring semester.

The vacant Villager Lodge property is owned by the Louisville Metro Housing Authority. Its executive director, Tim Barry, said a deal with Family Scholar House is probably about six weeks away.

The agreement will take the form of either a long-term lease or an outright sale to the nonprofit for a nominal amount, he added.

Barry called the plans for Downtown Scholar House “the perfect use” for the old motel. He said Family Scholar House is “a stellar organization.”

Broker sees residences as catalyst for future growth

Family Scholar House and Marian Development bought the old Jim Cooke Buick site on Feb. 22 for \$1.2 million. The deal was brokered by the Louisville firm **Hoagland Commercial Realtors**.

John Hoagland, the firm’s principal, said the property had been on the market for several years but “never really got much interest” before Brown and Family Scholar House inquired about it.

Hoagland called plans for the site a “wonderful” potential catalyst for more redevelopment efforts in the area south of Broadway.

Developer, Spalding working on student housing deal

Marian is holding part of the property for the possible development of student housing for nearby **Spalding University**, according to Brown.

Mike Ernst, vice president and CFO of the university, said Spalding is working on a deal where Marian would build a three-story residence hall capable of housing 150 students.

He said he expects to reach an agreement with Brown soon.

The university currently has only one dormitory, Morrison Hall, which dates to the early 1960s and has received “very little upkeep” over the years, he said.

Tori Murden McClure, who takes over as Spalding’s president on July 1, said the dorm is underutilized because it lacks amenities and is “not what young people are looking for today.”

Morrison Hall is capable of housing 350 students but currently has only about 100 residents, McClure said. Most of those are student athletes who find it convenient to live on campus.

U of L, JCTC students welcome

Dykstra said Downtown Scholar House's proximity to Spalding will make it easy for the facility to serve the school's students. Its location on city bus lines also will allow U of L and **Jefferson Community and Technical College** students to live there.

Family Scholar House currently has 544 families on its waiting list, according to Dykstra. Nonresidents can receive services, such as life-skills training, career placement and academic counseling.

"But they need housing," Dykstra said. "Sometimes, we're their only hope."

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