

**12170**

DATE: June 11, 2010

TO: Board of Acquisition and Contract

FROM: Edward Burroughs  
Acting Commissioner

SUBJECT: Resolution Authorizing an Agreement Between the County of Westchester and Cottage Landings, LLC, to Supplement the Cost of Construction of Eleven (11) Fair and Affordable Housing Ownership Units Located at 15 Edgar Place in the City of Rye.

The attached resolution authorizes the County of Westchester (the "County") to enter into an agreement with Cottage Landings, LLC, its successor or designee, to provide a grant from the Federal HOME Investment Partnership Program (the "HOME Program"). The grant will be used to supplement the construction of eleven (11) fair and affordable home ownership units to be located at 15 Edgar Place in the City of Rye (the "Development"). The proposed agreement shall have a term of 2 years, with an anticipated start date of June 24, 2010. The grant shall be in an amount not to exceed \$880,000.00 and is contingent upon the project receiving all necessary approvals and financial commitments. Approval of additional funding support for this development by the Westchester County Board of Legislators is expected to be sought in the near future. No HOME funds will be provided until the other approvals and financial commitments are in place and a construction closing, to build the units, has occurred.

This Agreement is time sensitive because, pursuant to HUD requirements, HOME funds must be committed within 2 years of their receipt by the County. June 30th is the deadline for these funds. If not committed, the County will lose the funds. HUD has further communicated that a commitment of funds must be by an agreement, not just approval to enter into only an agreement.

Pursuant to the Stipulation and Order of Settlement of Dismissal entered into in connection with a lawsuit entitled U.S. ex el. Anti-Discrimination Center vs. Westchester (the "Settlement Agreement"), the County was required to develop 750 units of fair and affordable housing. The proposed units are anticipated to constitute eligible units under the Settlement Agreement. In furtherance of these objectives, the County provides funding to assist in the development or rehabilitation of fair and affordable housing units, including the units in the proposed Development.

The agreement will serve the public purpose of providing fair and affordable housing.

The goal and objective of this agreement is to create fair and affordable housing that is safe, secure and energy efficient. The project will create home ownership opportunities for lower and moderate income individuals and families who would not otherwise be able to afford to purchase a home in Westchester County. It will also enhance the neighborhood with interactive design and landscaping. Department of Planning staff will monitor and track construction of the Development, as well as monitor compliance with the affordability requirements.

Should this agreement not be authorized, the financial viability of the Development may be jeopardized such that home ownership opportunities associated with the creation of the fair and affordable units will be lost. Additionally, potential tax revenue would not be realized.

Act No. 9-2008, which authorized the County to accept and administer a grant under the HOME Program of \$1,687,878.00, was adopted by the Westchester County Board of Legislators (“BOL”) on February 4, 2008 and approved on May 8, 2008, by the Board of Acquisition and Contract (“BAC”). A portion of this project will be funded from this fiscal year.

Act No. 34-2009, which authorized the County to accept and administer a grant under the HOME Program of \$1,902,422.00 was adopted by the BOL on March 5, 2009 and approved by the BAC on May 28, 2009. A portion of this project will be funded from this fiscal year.

EB/lk  
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 6-24-2010 - JOMARY VIEIRA, SECRETARY

## RESOLUTION

UPON A COMMUNICATION FROM THE ACTING COMMISSIONER OF PLANNING, BE IT HEREBY

RESOLVED: that the County of Westchester is hereby authorized to enter into an agreement with Cottage Landings, LLC, its successor or designee, through the Federal HOME Investment Partnership Program (“HOME”) in an amount not to exceed \$880,000.00, to be paid pursuant to an approved budget and contingent upon receipt of all required approvals, financial commitments and a construction closing for the units, for a 2 year term, with an anticipated start date of June 24, 2010, to supplement the construction of eleven (11) units of fair and affordable housing to be located at 15 Edgar Place in the City of Rye, and it is further

RESOLVED: that the County Executive or his duly authorized designee is authorized to execute any documents and take any actions necessary to effectuate purposes hereof.

Account to be Charged/Credited

		Major Program, Program & Phase	Object/	Trust	
Fund	Dept	Or Unit	Sub Object	Account	Dollars
263	19	173I	8000	T173	\$231,785.00
263	19	173J	4380	T173	\$648,215.00

Budget Funding Year(s) FY 2008 & FY 2009 Start Date June 24, 2010 End Date June 23, 2012  
 (must match resolution)

Funding Source Tax Dollars \_\_\_\_\_

State Aid \_\_\_\_\_

**\$880,000.00** Federal Aid \$880,000.00 – U.S. Department of Housing and Urban Development  
 (must match resolution)

Other \_\_\_\_\_

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APPROVED BOARD OF ACQUISITION & CONTRACT - 6-24-2010 - JOMARY VIEIRA SECRETARY