

52311

DATE: June 29, 2016

TO: Board of Acquisition and Contract

FROM: Edward Buroughs Adam Rodriguez
Commissioner of Planning Director of Real Estate

SUBJECT: Resolution authorizing the County of Westchester to enter into any and all agreements necessary to enter into and subsequently convey a 99 year lease for the land and building located at 200 Reader's Digest Road, Town of New Castle, and provide development subsidies, all in support of the development of 28 affordable rental units that will affirmatively further fair housing

Act No. 239-2015, as amended by Act No. 230-2016, approved by the Westchester County Board of Legislators on November 9, 2015 and June 20, 2016, respectively, authorized the County to enter agreements to (i) enter into a ninety-nine (99) year lease (the "Lease") for the existing building and the land located beneath the same located at 200 Reader's Digest Road (the "Reader's Digest Building") from the current owner(s) of record for an amount not-to-exceed \$2,009,980; (ii) to assign and/or convey the Lease to Wilder Balter Partners, Inc., its successors or assigns (the "Developer") for One Dollar (\$1); and (iii) to accept and/or release any and all property rights in connection therewith. The acquisition and conveyance are for the purpose of creating twenty-eight (28) affordable AFFH rental units (the "Development") as the affordable portion of the adaptive re-use of the Reader's Digest Building. The Developer will also construct other higher-level affordable and market-rate rental units in the Reader's Digest Building which are not part of the funding requested herein.

Bond Act No. 240-2015, as amended by Bond Act No. 231-2016, approved by the Westchester County Board of Legislators on November 9, 2015 and on June 20, 2016, respectively, authorized the County to fund its contribution for the AFFH portion of the 99-year Lease to the Reader's Digest Building in the not-to-exceed amount of \$2,009,980 from Capital Project BPL30- New Homes Land Acquisition II. The balance of the cost of the total Lease price will be contributed by the Developer for the other residential portion of the Lease.

Upon acquisition of the 99-year Lease and prior to conveyance, the County will file a Declaration of Restrictive Covenants requiring that the 28 AFFH units to be constructed in the Reader's Digest Building will be affordable to eligible households with incomes up to 50% and 60% of the Westchester County Area Median Income ("AMI") for a period of affordability of not less than 50 years.

The attached resolution further authorizes the County to enter into an agreement with the Developer (the "FAH Construction Agreement") to provide grant funding for a portion of the development costs in support of the Development. In furtherance thereof, on November 9, 2015, the Westchester County Board of Legislators passed Bond Act No. 241-2015 to provide an amount not-to-exceed \$2,134,020 in funds from Capital Project BPL50 Fair and Affordable Housing. The FAH Construction Agreement will have a two-year term commencing on July 15, 2016.

Pursuant to the Stipulation and Order of Settlement and Dismissal entered into in connection with a lawsuit titled U.S. ex rel. Anti-Discrimination Center vs. Westchester (the "Settlement Agreement"), the County is required to ensure the development of 750 units of affordable AFFH units. In furtherance of these objectives, the County provides funding to assist in the development of the affordable AFFH housing units in the proposed Development. The proposed affordable AFFH units will be located in a census block that conforms to Paragraph 7(a) of the Settlement Agreement.

The goal and objective of this Agreement is to carry out the County's obligations under the Settlement Agreement by constructing affordable AFFH units in accordance with the terms of said Settlement Agreement. In addition, the development will provide safe, secure and energy efficient rental opportunities for lower and moderate income individuals and families who may not otherwise be able to afford to live in Westchester County. Department of Planning staff will monitor and track the construction of the affordable AFFH units, as well as monitor compliance with the affordability requirements.

I recommend approval of these agreements.

EB/cp/lk/JP
Attachment

R E S O L U T I O N

UPON A COMMUNICATION FROM THE COMMISSIONER OF PLANNING AND THE DIRECTOR OF REAL ESTATE, BE IT HEREBY

RESOLVED: that the County of Westchester (the "County") is hereby authorized to enter into any and all agreements necessary to enter into a ninety-nine (99) year lease (the "Lease") for the existing Reader's Digest Building and the land beneath the same located at 200 Reader's Digest Road (the "Property") from the current owner(s) of record, for a total not-to-exceed amount of \$2,009,980. The County funds will be allocated from the Capital Project BPL30 – New Homes Land Acquisition II; and be it further

RESOLVED: that the County is hereby authorized to enter into any and all agreements to assign and/or convey the Lease to Wilder Balter Partners, Inc., or its successors or assigns (hereinafter collectively the "Developer") for One Dollar (\$1.00); and be it further

RESOLVED: that the County is hereby authorized to accept and/or release any and all property rights in connection herewith; and be it further

RESOLVED: that the purchase and conveyance of the Lease shall be by such instruments as approved by the County Attorney; and be it further

RESOLVED: that the County will file a Declaration of Restrictive Covenants requiring that the twenty-eight (28) affordable AFFH one-, two- and three-bedroom rental units to be constructed in the Property will be affordable to eligible households with incomes up to 50% and 60% of the Westchester County Area Median Income ("AMI") for a period of affordability of not less than 50 years; and be it further

RESOLVED: that the County is hereby authorized to enter into an FAH Construction Agreement with the Developer, or its successors or assigns, to provide grant funding in an amount not-to-exceed \$2,134,020 to finance a portion of hard construction costs in support of the Development, which agreement shall have a two-year term beginning July 15, 2016 which will be funded from Capital Project BPL50 - Fair and Affordable Housing (FAH); and be it further

RESOLVED: that funding described herein will create twenty-eight (28) one, two and three-bedroom rental units that will Affirmatively Further Fair Housing ("AFFH") as set forth in 42 U.S.C. Section 5304(b)(2) and in accordance with the settlement of a lawsuit titled United States of America ex rel. Anti-Discrimination Center of Metro New York, Inc. v. Westchester County, New York (the "Settlement Agreement"); and be it further

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

Account to be
Charged/Credited
Budget Funding Year(s) FY 2016

		Major Program, Program & Phase	Object/ Sub Object	Trust Account	Dollars
Fund	Dept	Or Unit			
19	318	BPL30-03-R Bond Act 231-2016	6050	N/A	\$2,009,980
19	318	BPL50-39-S Bond Act 241-2015	6050	N/A	\$2,134,020

Purchase and Sale Contracts Start Date: Upon Execution End Date
FAH Construction Agreement Start Date: July 15, 2016 End Date 2 years from execution

Funding Source Tax Dollars \$4,144,000.00
State Aid _____
\$4,144,000.00 Federal Aid _____
(must match resolution) Other _____

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APPROVED BOARD OF ACQUISITION & CONTRACT - 07/21/2016 - LISA MRIJAJ, SECRETARY