

52315

DATE June 29, 2016

TO: Board of Acquisition and Contract

FROM: Edward Buroughs
Commissioner of Planning

SUBJECT: Resolution authorizing the County of Westchester to enter into an agreement with Housing Action Council Inc., its designee or assigns to, to provide funds for costs related to the acquisition and affirmative fair marketing and resale of an existing single family house located at 3318 Old Yorktown Road, Town of Yorktown, to create one affordable ownership home that will Affirmatively Further Fair Housing.

The attached resolution will authorize the County of Westchester (the "County") to enter into an agreement with the Housing Action Council Inc., its designee or assigns, (the "Developer") to provide funds to purchase +/- 0.53 acre of real property with an existing single family house, located at 3318 Old Yorktown Road in the Town of Yorktown (the "Property") in an amount not to exceed \$349,000 which includes \$307,500 for acquisition costs, plus an additional \$8,700 for settlement costs, \$26,800 for marketing and property management costs and \$6,000 in rehabilitation costs from program income received from previous loans made through the Community Development Block Grant Program and the HOME Investment Partnership Program all in accordance with the Programs' regulations (the "Agreement").

The Agreement will provide a short-term zero interest loan secured by a mortgage against the Property, in the not-to-exceed amount of \$168,000 that will be repaid to the County upon the sale of the Property to an eligible homebuyer with an income at or below 80% of the Westchester County Area Median Income and a grant in the not-to-exceed amount of \$181,000 to be used toward the acquisition, settlement, marketing, rehabilitation, resale and property management costs.

The Agreement will require that upon acquisition of the Property, the Developer will file a Declaration of Restrictive Covenants against the Property requiring that the affordable ownership unit established thereon that Affirmatively Further Fair Housing ("AFFH") will be affordable to households with incomes at or below 80% of the Westchester County Area Median Income and who have been selected pursuant to an approved Affirmative Fair Housing Marketing Plan. The period of affordability is fifty (50) years.

This purchase will create one affordable AFFH ownership unit that will affirmatively further fair housing 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"). The proposed Agreement shall have a two year term that begins on July 7, 2016 and terminates on July 6, 2018.

Pursuant to the Settlement Agreement, the County is required to ensure the development of 750 affordable AFFH units. In furtherance of these objectives, the County provides funding to assist in the development or rehabilitation of the affordable AFFH housing unit, including the affordable AFFH home proposed herein. The proposed affordable AFFH unit is expected to qualify under 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 creating one affordable AFFH ownership unit - in accordance with the terms of said Settlement Agreement. In addition, it will create home ownership opportunities for lower and moderate income individuals and families who may not otherwise be able to afford to purchase a home in Westchester County, which is safe and secure. Department of Planning staff will monitor the Property to ensure compliance with the ongoing affordability requirements.

EB/cp/DI
Attachment

APPROVED BOARD OF ACQUISITION & CONSTRUCTION 07/07/2016 - FOR RIGIDITY SECRETARY

RESOLUTION

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

RESOLVED, that the County of Westchester (the “County”) is hereby authorized to enter into an agreement with the Housing Action Council Inc., its designee or assigns, (the “Developer”) to provide funds for the Developer to purchase +/-0.53 acre of real property with an existing three bedroom single family home located at 3318 Old Yorktown Road, Town of Yorktown (the “Property”) from the current owner(s) of record for a not to exceed amount of \$307,500, plus an additional \$8,700 in expected settlement costs, \$26,800 in marketing and property management costs and \$6,000 in rehabilitation costs for a total amount not to exceed \$349,000 in order to Affirmatively Further Fair Housing (“AFFH”). The term of this agreement shall begin on July 7, 2016 and terminate on July 6, 2018 (the “Agreement”); and be it further

RESOLVED, that the Agreement will provide a short-term zero interest loan secured by a mortgage against the Property in the not- to- exceed amount of \$168,000 that will be repaid to the County upon the sale of the Property to an eligible homebuyer and a grant in the not-to-exceed amount of \$181,000 to be used toward the acquisition, settlement, marketing, resale, rehabilitation and property management costs; and be it further

RESOLVED, that the funding source for the Agreement will be from program income received from the Community Development Block Grant in the amount of \$149,000 and HOME Investment Partnership Program funds in the amount of \$200,000; and be it further

RESOLVED, that the Agreement will provide funding for the acquisition, settlement, marketing, resale, rehabilitation and property management costs for the Property in order to create an affordable ownership unit that will 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; and be it further

RESOLVED, that upon acquisition of the Property, the Developer will file a Declaration of Restrictive Covenants against the Property requiring that the affordable AFFH ownership unit established thereon will be affordable to eligible households with incomes at or below 80% of the Westchester County Area Median Income for a period of affordability of not less than fifty (50) years; and be it further

RESOLVED, that the County Executive or his duly authorized designee is authorized to execute any agreements, documents, grant and accept any and all property rights in connection herewith and take any actions necessary to effectuate purposes hereof.

Account to be
Charged/Credited

		Major Program, Program & Phase	Object/ Sub Object	Balance Sheet Account	Trust Account	Dollars
Fund	Dept	Or Unit				

263	19	793R	4380		T793	\$149,000
276	19			2034		\$200,000

Budget Funding Year(s) FY2016 Start Date: July 7, 2016 End Date: July 6, 2018

Funding Source Tax Dollars _____

State Aid _____

\$349,000 Federal Aid \$349,000 – U.S. Dept. of Housing & Urban Development
 (must match resolution)

Other _____

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APPROVED BOARD OF ACQUISITION & CONTRACT 07/07/2016 - J. RODRIGUEZ, SECRETARY