

52345

DATE June 30, 2016

TO: Board of Acquisition and Contract

FROM: Edward Buroughs
Commissioner of Planning

SUBJECT: Resolution authorizing an agreement by and between the County of Westchester and the Housing Action Council Inc., its designee or assigns, to provide funds for costs related to the acquisition, rehabilitation, affirmative fair housing marketing and resale of a one-bedroom condominium located at 240 Halstead Avenue, Unit 2B, Harrison, Town/Village of Harrison, to create one affordable ownership unit 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 a one-bedroom condominium located at 240 Halstead Avenue, Unit 2B in the Town of Harrison (the "Property") in the not-to-exceed total amount of \$233,000, which includes \$189,000 for acquisition costs, \$10,000 for settlement costs, \$12,000 for rehabilitation costs and \$22,000 for marketing, resale and property management costs with program income received from previous loans made through the Community Development Block Grant Program all in accordance with the Program's 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 \$155,000 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 \$78,000 to be used toward the acquisition, rehabilitation, marketing, 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 AFFH ownership unit established thereon 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 (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"). The proposed Agreement shall have a two year term that begins on July 15, 2016 and terminates on July 14, 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 affordable AFFH housing units, 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/
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT ADMINISTRATION
07/15/2016
PROPERTY SECRETARY

RESOLUTION

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 an agreement with the Housing Action Council Inc., its designee or assigns, (the "Developer") to provide funds for the Developer's purchase of a one-bedroom condominium located at 240 Halstead Avenue, Unit 2B, Town of Harrison (the "Property"), from the current owner(s) of record in an amount not-to-exceed \$189,000, plus an additional \$10,000 in settlement costs, \$12,000 in rehabilitation costs and \$22,000 in marketing and property management costs, for a total amount not-to-exceed \$233,000. The term of this agreement shall begin on July 15, 2016 and terminate on July 14, 2018 (the "Agreement"); and be it further

RESOLVED, that the Agreement will provide the above funds as a short-term zero interest loan, secured by a mortgage against the Property, in the not-to-exceed amount of \$155,000 that will be repaid to the County upon the sale of the condominium to an eligible homebuyer and a grant in the not-to-exceed amount of \$78,000 to be used toward the acquisition, rehabilitation, marketing, resale and property management costs; and be it further

RESOLVED, that the funding source for the Agreement will be from program income received from previously repaid loans made through the Community Development Block Grant program in the not-to-exceed amount of \$233,000; and it is further

RESOLVED, that the Agreement will provide funding for the acquisition, rehabilitation, marketing, resale 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

| Fund | Dept | Major Program, Program & Phase Or Unit | Object/ Sub Object | Trust Account | Dollars |
|------|------|--|--------------------|---------------|-----------|
| 263 | 19 | 793R | 4380 | T793 | \$233,000 |

Budget Funding Year(s) FY2016 Start Date: July 15, 2016 End Date: July 14, 2018

Funding Source Tax Dollars _____

State Aid _____

\$233,000
(must match resolution)

Federal Aid \$233,000 – U.S. Dept. of Housing & Urban Development

Other _____

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