

62154

DATE: March 19, 2018

TO: Board of Acquisition and Contract

FROM: Norma V. Drummond
Acting Commissioner of Planning

SUBJECT: Resolution authorizing a third amendment to the agreement between the County of Westchester and Housing Action Council Inc. (HAC) to provide funds for HAC to provide marketing and property management services in order to increase the not-to-exceed amount from \$1,187,366 to an amount not-to-exceed \$1,642,606 and to change the expiration date

On November 5, 2015, your Honorable Board approved a resolution authorizing the County of Westchester (the "County") to enter into an agreement (the "Agreement") with Housing Action Council Inc. (the "HAC") to provide pre-purchase document review and post-purchase marketing and property management services for properties that have been approved for purchase by the County that will affirmatively further fair housing ("AFFH") in an amount not-to-exceed \$200,000.

On January 21, 2016, your Honorable Board approved a resolution authorizing the County to amend the Agreement with HAC in order to provide for additional services and to increase the not-to-exceed amount of the Agreement from \$200,000 to an amount not-to-exceed \$700,000.

On November 23, 2016, your Honorable Board approved a resolution authorizing the County to approve a second amendment to the Agreement with HAC in order to increase the not-to-exceed amount of the Agreement from \$700,000 to an amount not-to-exceed \$1,187,366 and change the expiration date from June 30, 2017 to June 30, 2018.

Transmitted herewith is a resolution which, if approved by your Honorable Board, will authorize the County to amend the Agreement with HAC in order to change the expiration date from June 30, 2018 to December 31, 2018 and increase the not-to-exceed amount of the Agreement from \$1,187,366 to a new total amount not-to-exceed \$1,642,606, an increase of \$455,240; of which \$355,240 will be for post purchase property management and marketing expenses and \$100,000 for minor repairs for certain selected properties that have been purchased by the County. The additional funds will be disbursed with program income received from previous loans made through the Community Development Block Grant Program all in accordance with the Program's regulations.

This third amendment is necessary for several reasons including: 1) the number of properties has increased from nine (9) to fifty-two (52); 2) some properties have required additional time to identify a qualified buyer; 3) several properties required rehabilitation work by the County's Department of Public Works before they were ready for re-sale to eligible homebuyers and this rehabilitation has taken longer than expected; 4) with some of the storms of the last year, there has been some minor damage to the property that has required additional repair/improvement by the property managers, including some removal of some trees and large branches; and 5) the inspection reports of the homebuyers have identified minor repair issues that the property manager must address prior to sale, including, but not limited to, non-working appliances, infestations that require treatment and broken windows. As per the Settlement Agreement (defined below) these properties require marketing and property management services until they are sold to eligible buyers after marketing. The additional time is requested as some of the properties have not yet been purchased and the property management services must cover the time when the properties are marketed and the potential purchasers pursue their mortgage financing.

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 of Metro New York, Inc. v. Westchester County, New York (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 and rehabilitation of affordable AFFH units located in eligible census blocks as defined in the Settlement Agreement.

The goal and objective of this third amendment is to provide services necessary to create and market affordable AFFH units in accordance with the terms of said Settlement Agreement. Department of Planning staff will review HAC's performance to ensure all contractual requirements are met.

I recommend approval of this amendment.

NVD/cp/
Attachment

RESOLUTION

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

RESOLVED: that the County of Westchester is authorized to approve a third amendment to the agreement (“Agreement”) with the Housing Action Council, Inc. for the provision of marketing and property management services for certain properties approved for purchase by the County, in order to change the expiration date from June 30, 2018 to December 31, 2018 and increase the not-to-exceed amount of the Agreement from \$1,187,366 to a new total amount not-to-exceed \$1,642,606 an increase of \$455,240; of which \$355,240 will be used for property management and marketing expenses and \$100,000 for rehabilitation cost of certain selected properties. The additional funds will be disbursed with program income received from previous loans made through the Community Development Block Grant Program all in accordance with the Program’s regulations in an amount not-to-exceed \$455,240; and be it further

RESOLVED: that all other terms and conditions of the Agreement will remain the same; 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 purposes hereof.

Original Agreement \$ 200,000
 First Amendment \$ 500,000
 Second Amendment \$ 437,366
 This Amendment \$ 455,240

TOTAL \$1,642,606

AGREEMENT NUMBER C-67-10-T53 & C-PL-16-415

Account to be
 Charged/Credited

Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
263	19	123M	4380	T123	\$455,240

Budget Funding Year(s) FY 2016 Start Date July 1, 2015 End Date December 31, 2018

Funding Source Tax Dollars _____
 State Aid _____

\$455,240 Federal Aid \$455,240.00 – U.S. Dept. of Housing & Urban Development
 (must match resolution) Other _____

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