

65004

DATE: September 11, 2018

TO: Board of Acquisition and Contract

FROM: Norma V. Drummond
Commissioner of Planning

SUBJECT: Resolution authorizing an amendment to the agreement between the County of Westchester (“County”), the Town of Somers and Kearney Realty and Development Group, Inc., for costs related to the construction of infrastructure improvements in support of the affordable affirmatively furthering fair housing development to be constructed at 16 Route 6 in the Town of Somers to create sixteen affordable units, in order to increase County funding from an amount not to exceed \$1,800,000 to an amount not to exceed \$2,400,000 a \$600,000 dollar increase.

On November 12, 2015, your Honorable Board approved a Resolution authorizing the County to enter into an Inter-Municipal-Developer Agreement (“IMDA”) with the Town of Somers and Kearney Realty and Development Group, Inc., and/or its designee or the current owner(s) of record, for the construction of certain infrastructure improvements in support of an affirmatively furthering fair housing (“AFFH”) development to be known as Hidden Meadows at Somers (the “Development”) to be constructed at 16 Route 6 in the Town of Somers (the “Property”) in an amount not to exceed \$1,800,000 and to grant and accept all necessary property rights in connection therewith. The Development will be a multi-family residential development containing 53 units to be constructed on the Property. The Development will provide 16 affordable AFFH units that will include eight three-bedroom ownership units and eight one-bedroom rental units. The infrastructure improvements to be constructed along Route 6 will include, but not be limited to, paving, installation of stormwater basin, a portion of the expansion of the public water and sewer connections, onsite stormwater management and related work (the “Infrastructure Improvements”). The Resolution specified that the IMDA will commence upon execution and continue for a term of 15 years or until the County has retired the bonds funding construction of the Infrastructure Improvements, whichever comes first. The execution of the IMDA is contingent upon the Development receiving all necessary approvals and financial commitments, and the owner of the Property filing a Declaration of Restrictive Covenants against the Development requiring that the affordable AFFH units will be affordable to households with incomes at or below 80% of the Westchester County Area Median Income for the three-bedroom ownership units and 60% of the Westchester County Area Median Income for the one-bedroom rental units for a period of affordability of not less than 50 years.

On March 9, 2017, your Honorable Board approved a Resolution authorizing the County to amend a prior Resolution to change the term of the IMDA from upon execution and continue for a term of fifteen years or until the County has retired the bonds funding construction of infrastructure improvements, to a term

commencing February 1, 2017 and terminating January 31, 2032 or until the County has retired the bonds funding construction of infrastructure improvements, whichever is sooner. The amendment was requested to be able to cover expenses incurred by the Town of Somers associated with developing the specifications and construction drawings for the public bid of the infrastructure work.

The parties now desire to amend the Agreement in order to change the total dollar amount from an amount not to exceed \$1,800,000 to an amount not to exceed \$2,400,000, an increase of \$600,000. The additional funds are needed as the Town publicly bid the infrastructure work and the lowest bid exceeded the amount originally anticipated in 2015 by \$660,000, creating a significant gap in financing for construction.

On June 18, 2018, the Westchester County Board of Legislators authorized the County, through Act 2018-85, to amend the IMDA to increase the County's funding as described above, and adopted Bond Act 2018-84 to finance the cost thereof.

The goal and objective of this amendment remains to carry out the County's obligations under the Settlement Agreement by ensuring the development of affordable AFFH units in accordance with the terms of said Settlement Agreement. In addition, the Development will provide homeownership and rental opportunities for lower and moderate income individuals and families who may not otherwise be able to afford to purchase or rent a home in Westchester County which is safe, secure and energy efficient. The Development will also enhance the neighborhood through its design and landscaping. Department of Planning staff will monitor and track construction of the Development, as well as monitor compliance with the affordability requirements.

I recommend approval of this amendment.

NVD/cp
Attachment

RESOLUTION

UPON A COMMUNICATION FROM THE COMMISSIONER OF PLANNING BE IT HEREBY

RESOLVED, that the County of Westchester is hereby authorized to amend the Inter-Municipal-Developer Agreement with the Town of Somers and Kearney Realty and Development Group, Inc., and/or its designee or the current owner(s) of record, for the construction of certain infrastructure improvements in support of an affirmatively furthering fair housing development to be known as Hidden Meadows at Somers to be constructed at 16 Route 6 in the Town of Somers in an amount not to exceed \$1,800,000 in support of the affordable affirmatively furthering fair housing development to be constructed at 16 Route 6 in the Town of Somers and to grant and accept all necessary property rights in connection therewith, in order to increase County funding from an amount not to exceed \$1,800,000 to an amount not to exceed \$2,400,000, an increase of \$600,000; and be it further

RESOLVED, that except as specifically amended hereby, all the other terms and conditions of the Agreement shall remain the same; 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.

Original Agreement \$1,800,000
 First Amendment \$ 0.00
 This Amendment \$ 600,000

TOTAL \$2,400,000

AGREEMENT NUMBER C-HIF-15-65

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
19	318	BPL1A-01-S Bond Act No. 84-2018	6050	N/A	\$600,000.00

Budget Funding Year(s) FY 2018 Start Date: February 1, 2017 End Date: January 31, 2032

Funding Source Tax Dollars \$600,000

State Aid _____

\$600,000 Federal Aid _____
 (must match resolution)

Other _____