

12349

DATE June 17, 2010

TO: Board of Acquisition and Contract

FROM: Edward Burroughs
Acting Commissioner

SUBJECT: Resolution Authorizing the Agreement Between the County of Westchester and the Suburban Green Housing Development Fund Corporation for the Acquisition and Rehabilitation of the Foreclosed Properties located at 40 North Terrace Avenue and 30 South Thirteenth Avenue, both in the City of Mount Vernon.

The attached resolution authorizes the County of Westchester to enter into an agreement with the Suburban Green Housing Development Fund Corporation to provide a grant through the Neighborhood Stabilization Program (NSP). The grant will be used for the acquisition and rehabilitation of the foreclosed two-family home located at 40 North Terrace Avenue and the two-family home located at 30 South Thirteenth Avenue, both in the City of Mount Vernon. The term of the agreement is from June 17, 2010, to March 31, 2011, and the total amount of the grant is \$1,070,000.00 of which \$420,000.00 is for the North Terrace Avenue property and \$650,000.00 is for the South Thirteenth Avenue property, to be paid pursuant to an approved budget.

Suburban Green Housing Development Fund Corporation creates affordable housing partnerships between Cities or other local governments including Counties and States, and the private sector, in order to build affordable homes that will stimulate economic growth and revitalize neighborhoods. In their 25 year history of doing business, they have developed more than 30,000 affordable homeownership and rental units which has leveraged more than \$2.8 billion in private sector financing. They have an additional 4,000 units in the construction or predevelopment phase. Suburban Green Housing Development Fund Corp. will acquire, rehabilitate and carry the properties located at 40 North Terrace Avenue and 30 South Thirteenth Avenue, both in the City of Mount Vernon, for nine (9) months.

The entity will be responsible for the maintenance and carrying costs of the property from acquisition through to resale to an income eligible buyer. Maintenance includes the physical tending to of the property and the payment of all costs during the limited ownership, including, but not limited to payment of taxes and insurance.

Upon the completion of the rehabilitation of the property, the entity will sell the property to an income eligible buyer at a price determined by the County. Upon this sale, the balance of funds from the purchase price paid by the homebuyer, will be returned to Westchester County.

The agreement will serve the public purpose of creating affordable housing units in Westchester County.

The goal and objective of this agreement is to provide affordable housing to low income families in Westchester County. The project will be monitored by the Department of Planning staff, which will oversee the acquisition, rehabilitation and provide approval for the units to be sold to income eligible homebuyers who have been selected pursuant to an approved Fair Housing Marketing Plan. The Department of Planning staff will also monitor ongoing occupancy as the primary residence by the new owners, and will monitor any resale or refinance to assure that the units are maintained as affordable housing for the term of affordability. Site visits will be made by the Planning Department staff to ensure the properties have been rehabilitated according to the contract specifications.

Should the agreements not be approved, these foreclosed and abandoned properties may become eyesores, blighting the neighborhood which could jeopardize the health and safety of the residents of this neighborhood, and these properties would be lost to the County as viable affordable housing units. This procurement is in compliance with the County of Westchester Procurement Policy Procedures, pursuant to Section 3(a)xvi, which states that contracts with recipients for disbursement of grants or loans under the Community Development Block Grant Program are exempt, of which NSP is a part.

On February 19, 2009, the Board of Acquisition and Contract approved a resolution authorizing the County of Westchester to enter into an agreement with the State of New York Housing Finance Agency for a grant totaling \$6,680,000.00 and a grant of \$640,000.00 from the Affordable Housing Corp. for a total amount of \$7,320,000.00.

I recommend approval of this agreement.

EB/cp
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 7-1-2010 - JOMAR FERRAS, SECRETARY

RESOLUTION

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

RESOLVED, that the County of Westchester is hereby authorized to enter into an agreement with the Suburban Green Housing Development Fund Corporation, through the Neighborhood Stabilization Program (NSP), in the amount of \$1,070,000.00 for the acquisition and rehabilitation of the foreclosed two-family home located at 40 North Terrace Avenue and the two-family home located at 30 South Thirteenth Avenue, both in the City of Mount Vernon, of which \$420,000.00 is for the North Terrace Avenue property and \$650,000.00 is for the South Thirteenth Avenue property, pursuant to an approved budget, for a period, beginning June 17, 2010, and ending March 31, 2011, 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.

Recommended for Approval.

Account to be Charged/Credited

		Major Program, Program & Phase	Object/ Sub Object	Trust Account	Dollars
Fund	Dept	Or Unit			
263	19	914K	4380	T914	\$1,070,000.00

Budget Funding Year(s) FY 2010 Start Date June 17, 2010 End Date March 31, 2011
 (must match resolution)

Funding Source Tax Dollars _____
 State Aid \$1,070,000.00
\$1,070,000.00 Federal Aid _____
 (must match resolution) Other _____