



Memorandum  
Department of Planning

18542

DATE: April 15, 2011

TO: Board of Acquisition and Contract

FROM: Edward Buroughs, Commissioner, Department of Planning; Mary Mahon, Director of Real Estate

SUBJECT: Resolution authorizing the County of Westchester to enter into an Agreement with the Pleasantville Housing Development Fund Company, Inc. to purchase and subsequently convey a Two-bedroom Condominium Unit-1A, Located at 293 Manville Road in the Village of Pleasantville for the purpose of providing Fair and Affordable Housing

The attached Resolution would authorize the County of Westchester (the "County") to enter into an agreement (the "Agreement") with the Pleasantville Housing Development Fund Company, Inc. (the "HDFC"), its designee or assignee to provide funds in the not-to-exceed amount of \$212,500.00 from capital project BPL50 - Fair and Affordable Housing to purchase a two-bedroom condominium unit-1A located at 293 Manville Road in the Village of Pleasantville identified on the tax map as Section: 106, Block: 1, Lot: 16/1001 (the "Affordable Housing Unit"), in order to create one fair and affordable housing unit. The Resolution would also authorize the County to subsequently convey the Affordable Housing Unit back to the HDFC, its designee or assignee. The property will be in compliance with the requirement that the County affirmatively further fair housing ("AFFH") as set forth in 42 U.S.C. Section 5304(b)(2) and as required pursuant to the Settlement Agreement (defined below). The total purchase price of \$212,500.00 will be paid by the County of which \$160,000.00 is anticipated to be in the form of a loan to the HDFC. The loan will be repaid by the HDFC upon the sale of the unit to an income eligible buyer. The remaining balance will be used to write down the purchase price to the eligible homebuyer to help make the unit affordable.

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. vs. Westchester (the "Settlement Agreement"), the County is required to ensure the development of 750 affordable AFFH units. The Settlement Agreement required, among other things, that the County make a payment of Twenty-One Million Six Hundred Thousand (\$21,600,000.00) Dollars to the U.S. Department of Housing and Urban Development ("HUD"), which payment was then credited to the County's Community Development Block Grant ("CDBG") account to fund certain costs related to the development of new affordable AFFH units (the "Affordable AFFH Units"). The County will use CDBG funds from Capital Project BPL50 for the acquisition and transfer of the unit, which will be subject to income restrictions enforceable by the County. Pursuant to a letter from the federal monitor dated March 10, 2011, the County has been advised that the proposed affordable AFFH Unit constitutes a unit eligible under Section 7(a) and Section 7(h)(ii) of the Settlement Agreement.

The Agreement will specify that a total of \$212,500.00 of FAH funds shall be used to purchase the condominium in order to create one Affordable AFFH Unit. The affordable unit will be sold to a household at or below 80% of the County Area Median Income (“AMI”) as established by HUD (the “Affordability Requirements”). The Affordability Requirements will be in effect for a period of not less than 50 years (the “Period of Affordability”), noting that they are subject to change based on the median income levels at the time of initial occupancy, and subsequent occupancies, as established by HUD. It should be noted that the HDPC proposes to maintain affordability beyond the County’s Period of Affordability. The Agreement will require that a Declaration of Restrictive Covenants be filed against the property requiring a period of affordability of not less than 50 years.

On April 11, 2011 the Westchester County Board of Legislators authorized, by Act No. 49-2011, amendment of the 2011 County Capital Budget to add a description of this component project to Capital Project BPL50 – Fair and Affordable Housing. Also on April 11, 2011 the Board of Legislators authorized, by Act No. 50-2011, to purchase and subsequently convey a two-bedroom condominium unit located at 293 Manville Road in the Village of Pleasantville.

The Agreement will serve the public purpose of providing an affordable AFFH unit and creating one home ownership opportunity for a lower or moderate income household who would not otherwise be able to afford to purchase in Westchester County. The location of the Affordable Housing Unit is accessible to transportation, commercial facilities and employment opportunities. Department of Planning staff will monitor the sale of the property, as well as monitor compliance with the affordability requirements.

The purchase of real property does not constitute a procurement of goods or services under the Westchester County Procurement Policy and Procedures.

We recommend approval of this Agreement.

EB/cp  
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 5/5/2011 JIM V. FEIRA, SECRETARY  
DynamicPDF

## RESOLUTION

UPON A COMMUNICATION FROM THE COMMISSIONER OF PLANNING AND THE DIRECTOR OF REAL ESTATE, BE IT HEREBY

RESOLVED: that the County of Westchester is hereby authorized to enter into an agreement to purchase from Pleasantville Housing Development Fund Company, Inc. ("HDFC") a two-bedroom condominium unit located at 293 Manville Road in the Village of Pleasantville and identified on the tax maps as Section: 106, Block: 1, Lot: 16/1001, for the purpose of affirmatively furthering fair housing ("AFFH") as set forth in 42 U.S.C. Section 5304(b)(2); and it is further

RESOLVED: that the County is hereby authorized to pay an amount not to exceed Two Hundred Twelve Thousand Five Hundred (\$212,500.00) Dollars for the purchase of the unit; and be it further

RESOLVED: that the County is further authorized to convey the unit to the HDFC or its designee for approximately One Hundred Sixty Thousand (\$160,000.00) Dollars for the purpose of providing one (1) fair and affordable ownership unit (the "Affordable AFFH Unit") for a household having an income of no more than 80% of area median income ("AMI"), noting that the income limits are subject to change based on the median income levels at the time of initial occupancy, and subsequent occupancies; and be it further

RESOLVED: that any loans by the County of Community Development Block Grant funds in furtherance hereof, including funds provided through capital project BPL50, shall be interest free and repayable in full upon sale of the Affordable AFFH Unit to an income eligible household; and be it further

RESOLVED; that the period of affordability of the Affordable AFFH Unit shall be 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 documents 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
318	19	BPL50-05-S	6050	N/A	\$212,500.00

Budget Funding Year(s)      FY 2011      Start Date May 5, 2011      End Date May 4, 2012

Funding Source      Tax Dollars \_\_\_\_\_  
    State Aid \_\_\_\_\_  
**\$212,500.00**      Federal Aid \_\_\_\_\_  
 (must match resolution)      Other \$212,500.00