

47190

DATE: June 8, 2015

TO: Board of Acquisition and Contract

FROM: Edward Buroughs
Commissioner of Planning

Mary Mahon
Director of Real Estate

SUBJECT: Resolution authorizing the County to enter into agreements to purchase and subsequently convey approximately 0.34-acre of real property, to fund the construction of site work and infrastructure improvements and to accept and/or release any rights in the Property as necessary, all in support of an affordable AFFH development to be located at 54 Hunts Place in the Town of New Castle

The authorizations requested herein are in support of an affordable AFFH development to be known as Chappaqua Station (the "Development") which will be constructed on the Property (defined below) and will provide twenty-eight (28) one and two-bedroom affordable AFFH rental units.

The attached resolution authorizes the County of Westchester (the "County") to enter into agreements to purchase and subsequently convey approximately 0.34-acre of real property located at 54 Hunts Place in the Town of New Castle (the "Property"), to enter into an agreement to fund the construction of necessary site work and infrastructure improvements and to accept and/or release any rights in the Property deemed necessary in furtherance of this Development including, without limitation, easements and/or subordination agreements.

The County will provide funds towards the purchase of the Property from Preferred Development Group, LTD or the current owner(s) of record for an amount not to exceed \$1,275,000 (the "Purchase Agreement") with County bonds through Capital Project BPL50 - Fair and Affordable Housing ("FAH"). The purchase agreement will commence upon execution and continue for a term of two (2) years.

Upon acquisition of the Property and prior to conveyance, the County will file a Declaration of Restrictive Covenants against the Property requiring that the affordable AFFH units constructed thereon will affirmatively further fair housing ("AFFH") pursuant to the Settlement Agreement (defined below) and as set forth in 42 U.S.C. Paragraph 5304(b) (2) and be affordable to households with incomes at or below 50% and 60% of the Westchester County Area Median Income for a period of affordability of not less than 50 years.

The attached resolution further authorizes the County to enter into an agreement with Chappaqua Station, LLC, its designee, successors or assigns, currently anticipated to be Chappaqua Station Housing Development Fund Company Inc. ("HDFC"), a not-for-profit corporation organized and existing under the Not-For-Profit Corporation Law of the State of New York, to convey fee title to the Property for One (\$1.00) Dollar to the developer. It should be noted that the HDFC is anticipated to hold legal title to the Property as nominee for the developer, who will be the beneficial owner.

The attached resolution further authorizes the County to enter into an Intermunicipal Agreement (“IMA”) with the of Town of New Castle to fund the construction of necessary site work and infrastructure improvements in a not-to-exceed amount of \$1,650,000 in County FAH bonds under Capital Project BPL50. The IMA will commence upon execution and continue for a term of five (5) years.

In the event the Town does not approve execution of the IMA, the County may choose to bid out construction of the infrastructure improvements itself. The County will have an ownership interest in the infrastructure improvements through easements until the expiration of the term of the FAH Infrastructure Bonds.

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 vs. Westchester (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 those in the proposed Development. It is anticipated that the proposed affordable AFFH units constitute eligible units under Paragraph 7(a) of the Settlement Agreement.

On November 24, 2014, the Westchester County Board of Legislators approved (1) Act No. 2014-212 to purchase and subsequently convey the Property (2) Bond Act No. 2014-213 to fund the land acquisition costs in a not-to-exceed amount of \$1,275,000 as described above (3) Bond Act No. 2014-214 to fund the construction of infrastructure improvements in a not-to-exceed amount of \$1,650,000 and (4) Act No. 2014-215 to authorize the County to enter into an IMA with the Town for the construction of the infrastructure improvements and to accept and/or release any property rights necessary in furtherance hereof.

The goal and objective of these agreements is to carry out the County’s obligations under the Settlement Agreement by constructing affordable AFFH units in accordance with the terms of said Settlement Agreement. This Development will 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.

We recommend approval of these agreements.

EB/CP

Attachment

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 approximately 0.34-acre of real property located at 54 Hunts Place in the Town of New Castle (the "Property") from Preferred Development Group, LTD, or the current owner(s) of record, for a not-to-exceed amount of \$1,275,000 with County bonds from Capital Project BPL50 - Fair and Affordable Housing ("FAH"). The term of this agreement will commence upon execution and continue for a term of two (2) years ; and be it further

RESOLVED: that the County will file a Declaration of Restrictive Covenants (the "Declaration") against the Property requiring that it be used for the development of the affordable AFFH housing to be known as Chappaqua Station (the "Development"); and be it further

RESOLVED: that the Development will provide twenty-eight (28) one and two-bedroom affordable rental units which will affirmatively further fair housing ("AFFH"), in compliance with 42 U.S.C. Paragraph 5304(b)(2) and as required pursuant to the Stipulation and Order of Settlement of Dismissal entered into in connection with a lawsuit titled U.S. ex rel. Anti-Discrimination Center vs. Westchester and which, pursuant to the Declaration, will be affordable to households with incomes at or below 50 and 60% of the Westchester County Area Median Income for a period of affordability of not less than 50 years; and be it further

RESOLVED: the County is hereby authorized to enter into an agreement to convey the Property for One (\$1.00) Dollar to Chappaqua Station, LLC, its designee, successors or assigns currently anticipated to be Chappaqua Station Housing Development Fund Company Inc.; and be it further

RESOLVED: the County is hereby authorized to enter into an Intermunicipal Agreement ("IMA") with the Town of New Castle to fund the construction of necessary site work and infrastructure improvements in a not-to-exceed amount of \$1,650,000 with County bonds from Capital Project BPL50. The IMA will commence upon execution and continue for a term of five (5) years; and it be it further

RESOLVED; that the County is further authorized to accept and/or release any rights in the Property deemed necessary in furtherance of this Development, including without limitation easements and/or subordination agreements; and be it further

RESOLVED; that the County will have an ownership interest in the infrastructure improvements through easements until the expiration of the term of the FAH Infrastructure Bonds; 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.

Charged/Credited

		Major Program, Program & Phase	Object/	Trust	
Fund	Dept	Or Unit	Sub Object	Account	Dollars
318	19	BPL50-15-R BOND ACT 2014-213	6050	N/A	\$1,275,000.00
318	19	BPL50-15-S BOND ACT 2014-214	6050	N/A	\$1,650,000.00

Budget Funding Year(s) FY 2015:

Purchase and Sale: Start Date: Upon Execution End Date: Two years from Execution
 IMA: Start Date: Upon Execution End Date: Five years from Execution

Funding Source

Tax Dollars \$2,925,000.00

State Aid _____

\$2,925,000.00
 (must match resolution)

Federal Aid _____

Other _____

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APPROVED BOARD OF ACQUISITION & CONTRACT - 07/02/2015 - DAN COUGHRAN, SECRETARY