

DATE: March 5, 2010

TO: Board of Acquisition and Contract

FROM: Edward Buroughs
Acting Commissioner

SUBJECT: Agreement between the County of Westchester and the Westchester Housing Fund, Inc. d/b/a Community Capital Resources, to Provide Operational Funding to Carry Out Affordable Housing Activities

The attached resolution authorizes the County of Westchester to enter into an agreement with the Westchester Housing Fund, Inc. d/b/a Community Capital Resources (CCR), to carry out affordable housing activities for an amount not to exceed \$110,725.00, pursuant to an approved budget. The term of the agreement is January 1, 2010, to December 31, 2010.

The Westchester Housing Fund, Inc. d/b/a Community Capital Resources, will provide services which will include, but not be limited to, the creation of new affordable housing projects focusing particularly on addressing the needs of the Westchester Housing Settlement and the foreclosure crisis, providing critical "gap" financing to six (6) affordable housing projects in Westchester County, and providing part time foreclosure prevention counseling. They will also provide technical assistance, support, advocacy and/or financing to at least 12 housing groups, developers, municipalities or other community groups on affordable housing, with priority given to projects in communities that will address the Fair Housing Settlement order. CCR will also help seventy-five (75) small businesses access capital to start up their businesses in Westchester County, as well as provide 275 hours of technical assistance to small business owners. CCR will provide financial education/asset building to those struggling to manage their finances thru workshops and the creation & distribution of financial literature.

Due to the significant changes in the housing market last year, Westchester Housing Fund, Inc. d/b/a Community Capital Resources was not able to explore a loan product to help first time homebuyers close the equity requirement gap, nor were they able to sponsor all estimated 11 peer support meetings (only 8 meetings were held) for small businesses as the program had to be restructured. Based on our prior experience we anticipate that the Westchester Housing Fund, Inc. d/b/a Community Capital Resources will be able to successfully reach or exceed all goals set for this year.

This agreement will provide housing activities that will assist residents, local employees and other low income households to live in the County; will aid the local governments and the County with fiscal responsibility through the increase in tax dollars received from these properties that would otherwise not provide a similar tax payment if not put toward productive use; increase Mortgage Tax revenues as the homes are sold and resold to new families; and lastly, the affordable housing will contribute to the economic viability of the County by retaining or attracting a skilled workforce attractive to employers, school districts, hospitals, etc.

For purposes of full disclosure, it should be noted that Deputy Commissioner Norma Drummond sits on the Board of Directors of Westchester Housing Fund, Inc. d/b/a Community Capital Resources. She has

no financial interest in this agreement whatsoever, and sits on the Board in order to closely provide financial oversight of the development of affordable housing in Westchester County.

This agreement will serve the public purpose of providing affordable housing and exhibiting fiscal responsibility through the increase in Tax Revenue.

The goal and objective of this agreement is to prevent the reduction of new affordable housing in Westchester County. The service provided by the Westchester Housing Fund, Inc. d/b/a Community Capital Resources is essential to the provision of affordable housing in Westchester County as the Department of Planning does not have the staff necessary to provide these valuable services. The program will be monitored by the Department of Planning staff, who will review all payment requests to make sure all contractual requirements are met.

Should this agreement not be approved, there will be a reduction in new affordable housing in Westchester County. Without the assistance of the Westchester Housing Fund, Inc. d/b/a Community Capital Resources, 500 perspective purchasers will not receive information, nor would small businesses receive the technical assistance they desire. The creation of an HDFC (Housing Development Fund Corp.) will also not be realized as a part of the Neighborhood Stabilization Program to purchase foreclosed properties for the purpose of rehabilitation and re-sale in order for the County to carry out affordable housing activities.

Authority to exempt this Agreement from the requirements of the Westchester County Procurement Policy and Procedures pursuant to Section 3(a) xxi thereof has been granted by your Honorable Board in accordance with a separate resolution of even date herewith.

Accordingly, a resolution to authorize an agreement with Westchester Housing Fund, Inc. d/b/a Community Capital Resources, is hereby submitted for your consideration.

I recommend approval of this agreement.

EB/dg
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT ADMINISTRATION
4-2-2010 - HONORARY VICE 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 Westchester Housing Fund, Inc. d/b/a Community Capital Resources, to carry out affordable housing activities for an amount not to exceed \$110,725.00, for a period beginning January 1, 2010 and ending December 31, 2010, for services which include, but are not limited to, the creation of new affordable housing projects focusing particularly on addressing the needs of the Westchester Housing Settlement and the foreclosure crisis, providing critical "gap" financing to six (6) affordable housing projects in Westchester County and providing part time foreclosure prevention counseling. They will also provide technical assistance, support, advocacy and/or financing to at least 12 housing groups, developers, municipalities or other community groups on affordable housing, with priority given to projects in communities that will address the settlement order. CCR will also help seventy-five (75) small businesses access capital to start up their businesses in Westchester County, as well as provide 275 hours of technical assistance to small business owners. CCR will provide financial education/asset building to those struggling to manage their finances thru workshops and the creation & distribution of financial literature, and be it further

RESOLVED, that this Agreement is subject to County appropriations, and be it further

RESOLVED, this agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. That the County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable written notice; and be it further

RESOLVED, that the County Executive or his authorized designee be and hereby is authorized to execute any and all documents necessary and appropriate to effectuate purposes hereof.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
101	19	0100	4420	N/A	\$110,725.00

Budget Funding Year(s) FY 2010 Start Date January 1, 2010 End Date December 31, 2010
(must match resolution)

Funding Source Tax Dollars \$110,725.00
State Aid _____
Federal Aid _____
Other _____

\$110,725.00
(must match resolution)