

86700

DATE August 2, 2021

TO: Board of Acquisition and Contract

FROM: Norma V. Drummond
Commissioner of Planning

SUBJECT: Resolution authorizing two agreements between the County of Westchester and Pawling Holdings, LLC, its successors or assigns, to 1) utilize HOME Investment Partnership Program funds in the sum of \$855,587.43 and 2) utilize Neighborhood Stabilization Program funds in the sum of \$1,102,037.46, to contribute toward the cost for the acquisition, site work and construction costs of a four unit affordable homeownership development to be located at 259 North Ridge Street in the Village of Rye Brook.

The attached resolution authorizes the County of Westchester (the "County") to enter into two agreements with Pawling Holdings, LLC, its successors or assigns, (the "Developer"), to provide grants from 1) the federal HOME Investment Partnership Program (the "HOME Program") in the amount of \$855,587.43 (the "HOME Agreement") and 2) the Neighborhood Stabilization Program (the "NSP") in the amount of \$1,102,037.46 (the "NSP Agreement"). The HOME Program grant will be used to supplement the cost of the new construction of four attached affordable three-bedroom homeownership units which will affirmatively further fair housing ("AFFH") to be located at 259 North Ridge Street in the Village of Rye Brook (the "Development"). The NSP funds will cover the cost of acquisition and the site work for the Development. The agreements will commence on June 1, 2021 and terminate on May 31, 2023.

The HOME Agreement will provide \$855,587.43 of grant funds authorized under the HOME Program and shall specify that said funds shall be allocated to underwrite the costs related to the new construction, including the purchase of modular units, of the Development. The NSP Agreement shall specify that \$1,102,037.46 funds shall be allocated for acquisition costs and for the site work for the Development. As a requirement of both agreements, the Developer will file a Declaration of Restrictive Covenants requiring that the affordable AFFH units will be affordable to households whose income is at or below 80% of the County Area Median Income, as determined by the U.S. Department of Housing and Urban Development and will remain affordable for a period of not less than fifty (50) years.

Act # 37-2019, adopted March 11, 2019, by the Westchester County Board of Legislators, authorized the County to submit an Urban County Application under the Federal Community

Development Block Grant, Emergency Solutions Grant, and HOME Investment Partnership Programs, including a FY 2019-2023 Consolidated Plan and to accept such Grants.

On May 30, 2019, the Board of Acquisition and Contract approved a resolution authorizing the County of Westchester to enter into an agreement with the United States Department of Housing and Urban Development (HUD) to accept a grant totaling \$880,565 in HOME funds.

Act # 20-2020, adopted March 9, 2020, by the Westchester County Board of Legislators, authorized the County to submit an Urban County Application under the Federal Community Development Block Grant, Emergency Solutions Grant, and HOME Investment Partnership Programs, including a FY 2019-2023 Consolidated Plan and to accept such Grants.

On May 14, 2020, the Board of Acquisition and Contract approved a resolution authorizing the County of Westchester to enter into an agreement with the United States Department of Housing and Urban Development (HUD) to accept a grant totaling \$956,957 in HOME funds.

The NSP 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. NSP is a grant program under the Community Development Block program.

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 grant totaling \$6,680,000.00 and \$640,000.00 from Affordable Housing Corp for a total amount of \$7,320,000.00 authorizing the County administer the NSP grant funds.

The Agreements will serve the public purpose of providing affordable AFFH units. The goal and objective of these Agreements is to create fair and affordable housing which is safe, secure and energy efficient. The project will create homeownership opportunities for four low and moderate income families who may not otherwise be able to afford to purchase a home in Westchester County. 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 these Agreements.

NVD/cp/lg/di
Attachment

RESOLUTION

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

RESOLVED, that the County of Westchester (the “County”) is hereby authorized to enter into two Agreements with Pawling Holdings, LLC., its successors or assigns, (the “Developer”), to provide 1) a grant from the federal HOME Investment Partnership Program (the “HOME Program”) in an amount not to exceed to \$855,587.43 to be used by the Developer to supplement the cost of the new construction of four attached three-bedroom affordable homeownership units (the “Units”, and collectively the “HOME Agreement”) and 2) a grant of the Neighborhood Stabilization Program (“NSP”) in an amount not to exceed \$1,102,037.46 to be used for the acquisition of the property and the construction of site work (the “NSP Agreement”); both agreements having the term June 1, 2021 through May 31, 2023 and subject to an approved budget. The Units will affirmatively further fair housing (“AFFH”) and will be located at 259 North Ridge Street, Village of Rye Brook (“Development”); and it is further

RESOLVED, that the County will require the Developer to file a Declaration of Restrictive Covenants which will assure that the Units will be affordable to households whose income is at or below 80% of the County Area Median Income as determined by the U.S. Department of Housing and Urban Development and will remain affordable for a period of not less than fifty (50) years; 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.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
263	19	173U	4380	T173	\$234,263.50
263	19	173V	4380	T173	\$621,323.93
263	19	914K	4380	T914	\$295,948.57
263	19	914W	4380	T914	\$806,088.89

Budget Funding Year(s)

FY 2010, 2019 & 2020

Start Date: June 1, 2021

End Date: May 31, 2023

Funding Source

\$1,957,624.89,238.89
(must match resolution)

Tax Dollars _____

State Aid \$1,102,037.46

Federal Aid \$855,587.43- U.S. Department of Housing and Urban Development

Other _____

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