

110088

DATE: December 4, 2024

TO: Board of Acquisition and Contract

FROM: Blanca P. Lopez
Commissioner of Planning

SUBJECT: Resolution authorizing the County of Westchester to enter into a loan agreement with Elliott Avenue Housing Development Fund Corporation, its successors and/or assigns, whereby the County will loan an amount not to exceed \$1,533,430 from the Westchester County Housing Flex Fund Program to be used towards an affordable housing development that will affirmatively further fair housing with 9 units that will be reserved for eligible households with incomes at or below 65% of AMI to be located at 81 Elliott Avenue in the City of Yonkers.

Authority is requested to approve the attached resolution which would authorize the County of Westchester ("County"), acting by and through its Department of Planning (the "Department") to enter into a loan agreement (the "Agreement") with the Elliott Avenue Housing Development Fund Corporation, its successors and/or assigns, ("the Developer") in an amount not to exceed \$1,533,430 in loan funds from the County Housing Flex Fund ("HFF") Program ("HFF Loan"). The loan funds, secured by a note and mortgage, will be used to supplement the construction cost to rebuild an affordable homeownership housing development that was destroyed by fire at 81 Elliott Avenue in the City of Yonkers (the "Development"). The Development will consist of nine (9) affordable homeownership units that will affirmatively further fair housing ("Affordable AFFH Units") and will be reserved for eligible households with incomes at or below 65% of the County Area Median Income ("AMI") as defined by the U.S. Department of Housing and Urban Development.

Pursuant to the terms of the Agreement, the HFF Loan will accrue interest at 3% compounded annually commencing at closing. The HFF Loan will be for a term of thirty years ("HFF Loan Term").

The Agreement will commence upon execution, and continue for the HFF Loan Term. In the event that the Developer's financing with third parties requires that such financing be senior to the County's HFF Loan, and that senior financing maturity does not align with HFF Loan Term, the HFF Loan Term can be extended at the discretion of the County for up to six (6) months, subject to your Honorable Board's further approval.

The Development will contain nine (9) Affordable AFFH Units which will be affordable to households with incomes at or below 65%. The Affordable AFFH Units will remain affordable for a period of not less than fifty (50) years ("Period of Affordability"). These restrictions will be evidenced by a Declaration of Restrictive Covenants ("DRC") against the Property which will be filed by the Developer and require all nine (9) of the Affordable AFFH Units shall remain affordable for a period of not less than fifty (50) years.

At the end of the HFF Loan term, the principal and accrued interest due and owing to the County will be payable to the County into account(s) maintained by the County, unless Developer extends the Period of Affordability for a specified term to be approved by the County in its sole discretion.

It should be noted that the Developer is entering into financing arrangements with third parties in connection with this Development. The HFF Loan, which is a part of the financing plan for the Development, will be secured by a note and mortgage, and used to supplement the cost of the reconstruction of the nine (9) Affordable AFFH Units. The HFF Loan will not be administered until the DRC is recorded. In addition, the Affordable AFFH Units will be marketed and leased pursuant to a County approved affirmative fair housing marketing plan.

Your Honorable Board's authority is requested to authorize the County to enter into the Agreement with the Developer for the HFF Loan all as described herein.

The goal and objective of the attached Resolution is to provide affordable housing homeownership units in Westchester County to low and moderate income households. Department staff will monitor compliance with the ongoing affordable housing requirements.

Your Honorable Board's approval of the attached Resolution is respectfully requested.

BPL/lg/tsa
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACTING 12/2021 BY: JAMES M. SCULKY, SECRETARY

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 a loan agreement with Elliott Avenue Housing Development Fund Corporation,, its successors and/or assigns ("Developer"), whereby the County will loan an amount not to exceed \$1,533,430 from the Westchester County Housing Flex Fund Program ("HFF Program") to be used towards the cost of construction related to rebuilding an affordable homeownership development that was destroyed by fire into nine (9) units of affordable housing that will affirmatively further fair housing reserved for eligible households with incomes at or below 65% of AMI, to be located at 81 Elliott Avenue in the City of Yonkers; and be it further

RESOLVED, that the County, acting by and through its Department of Planning, is hereby authorized to enter into a loan agreement (the "Agreement") with the Developer, whereby the County will loan the Developer an amount not to exceed \$1,533,430 in loan funds ("HFF Loan") from the County HFF Program, noting that the term of the HFF Loan will commence upon execution, and continue for a term of thirty years. The HFF Loan will be secured by a note and mortgage; and be it further

RESOLVED, as consideration for the HFF Loan, the Developer will be required to sell all nine (9) of the Affordable AFFH Units to eligible households with incomes at or below 65% of AMI. This restriction will be evidenced by a Declaration of Restrictive Covenants ("DRC") against the Property which will be filed by the Developer and require that all nine (9) of the Affordable AFFH Units shall remain affordable for a period of not less than fifty (50) years. The HFF Loan will not be administered until the DRC is recorded and the Affordable AFFH Units will be marketed and leased pursuant to an approved affirmative fair housing marketing plan; and be if further

RESOLVED, that pursuant to the terms of the Agreement, the HFF Loan will accrue interest at 3% compounded annually commencing at closing; and be it further

RESOLVED, that at the end of the thirty (30)-year HFF Loan term, the principal and accrued interest due and owing to the County will be payable to the County into account(s) maintained by the County unless Developer extends the Period of Affordability for a specified term to be approved by the County in its sole discretion; and, be it further

RESOLVED: that the County Executive or his duly authorized designee is hereby authorized to execute any and all documents and to take any actions necessary to effectuate the purposes hereof.

Account to be
Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Bond Act	Dollars
318	19	BPL42-13-S	6050	N/A	\$1,533,430

Budget Funding Year(s) FY 2024 Start Date: Upon Execution End Date: Fifteen years from execution

Funding Source Tax Dollars \$1,533,430

State Aid _____

\$1,533,430
(must match resolution)

Federal Aid _____

Other _____

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APPROVED BOARD OF ACQUISITION & CONTRACT - 12/12/2024 - RAYMOND SCULKY, SECRETARY