

113899

DATE: June 10, 2026

TO: Board of Acquisition and Contract

FROM: Blanca P. Lopez, M.S.
Commissioner of Planning

SUBJECT: Resolution authorizing the County to enter into an Amended and Restated Subordination Agreement with Yonkers Preservation LLC, Schlobohm Housing Development Fund Corporation, New York State Housing Finance Agency, The Municipal Housing Authority For The City of Yonkers, and The Mulford Corporation in order to allow additional New York State Housing Finance Agency Subsidy Funds into Schlobohm Apartments, Schlobohm Homes (aka Palisades Towers) located at 1-8 Schroeder Street and 72 Palisade Avenue (Section 2, Block 2030 Lots 49, 50, 300, 325; Section 2 Block 2026 Lots 200, 225, 250 and Section 1 Block 157 Lot 3) in the City of Yonkers (the "Development").

By way of background, on January 6, 2025, the Westchester County Board of Legislators approved Act No. 2025-5 authorizing the County of Westchester (the "County") to enter into an easement agreement ("Easement Agreement") pursuant to Capital Project BPL 44 with each of the following Public Housing Authorities : Greenburgh Housing Authority , New Rochelle Municipal Housing Authority , White Plains Housing Authority and the Municipal Housing Authority for the City of Yonkers ("MHACY") and if any, its Rental Assistance Demonstration program ("RAD") affiliates, successors or assigns, whereby the County would finance capital improvements related to interior, exterior, building systems and construction management costs in support of the preservation of approximately 1,016 units of units of the available housing stock for affordable housing tenancy with a total of Seven Million (\$7,000,000) Dollars being made available. Of this amount, MHACY, and specifically this Development was approved to receive \$4,647,208 to fund capital improvements ("County Funding"). On March 13, 2025, your Honorable Board approved a resolution authorizing the County to enter into any and all agreements necessary for the County Funding to be utilized for capital improvements by MHACY for this Development.

On October 31, 2025, the closing for the MHACY County Funding took place (the "Closing"). In connection with the Closing, the following documents were executed: Loan Agreement, Declaration of Restrictive Covenants, Easement, Guaranty of Completion, a Note and Mortgage and a Subordination Agreement in which the County, Yonkers Preservation LLC, Schlobohm Housing Development Fund Corporation, New York State Housing Finance Agency ("NYS HFA"), MHACY, and The Mulford Corporation (the "Parties") agreed to subordinate all funding in connection with this Development to the NYS HFA.

Previously, on or about March 6, 2018, NYS HFA provided a loan to Yonkers Preservation, LLC in the amount of \$37,906.00 (“NYS HFA Initial Subsidy Loan”), which was evidenced by a certain Subsidy Note in the principal amount of the HFA Initial Subsidy Loan given by Yonkers Preservation, LLC to HFA and as the same may be hereafter amended, modified, supplemented, severed, assigned, substituted, renewed or restated from time to time (the “HFA Initial Subsidy Note”).

Subsequently, Yonkers Preservation LLC secured a commitment letter from NYS HFA for additional funding for the Development in the amount of \$12,600,000 (NYS HFA Additional Subsidy Loan).. In connection with the closing for this NYS HFA additional Subsidy Loan, it has been requested by NYS HFA that the Parties, including The Community Preservation Corporation, execute an Amended and Restated Subordination Agreement which will amend and restate the prior Subordination Agreement executed among the Parties at the Closing. NYS HFA has specifically requested this because the NYS HFA Additional Subsidy Loan increases the overall amount of subsidy funds being provided by NYS HFA. The Amended and Restated Subordination Agreement will subordinate the funding, including the County Funding to the Additional Subsidy Loan. The Amended and Restated Subordination Agreement is in accordance with the program requirements of NYS HFA and within the authority of the County’s Capital Project BPL44.

The goal and objective of this Amended and Restated Subordination Agreement is to allow for additional NYS HFA funding to benefit the residents of the Development. Department of Planning staff will make site visits and will monitor the Development for compliance with all of the County requirements in accordance with Capital Project BPL44.

Accordingly, your Honorable Board’s approval of the attached Resolution is respectfully requested.

BL/lg/mb/lc
Attachment

R E S O L U T I O N

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

RESOLVED, that the County of Westchester (“County”) is hereby authorized to enter into an Amended and Restated Subordination Agreement (“Agreement”) with the following entities: Yonkers Preservation LLC, Schlobohm Housing Development Fund Corporation, New York State Housing Finance Agency (“NYS HFA”), Municipal Housing Authority For The City of Yonkers, The Mulford Corporation and The Community Preservation Corporation in order to permit additional New York State Housing Finance Agency Subsidy Funds in the amount of \$11,855,954 into Schlobohm Apartments, Schlobohm Homes (aka Palisades Towers) located at 1-8 Schroeder Street and 72 Palisade Avenue (Section 2, Block 2030 Lots 49, 50, 300, 325; Section 2 Block 2026 Lots 200, 225, 250 and Section 1 Block 157 Lot 3) in the City of Yonkers which Agreement will amend and restate a prior Subordination Agreement executed among the Parties and recorded in the County Clerk’s Office so as to increase the amount of subsidy funds being provided by NYS HFA and therefore increase the amount of a prior lien of which the County funding will be subordinate to, which is in accordance with the program requirements of NYS HFA and within the authority of the County’s Capital Project BPL44; 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 effect the purposes hereof.

Account to be Charged/Credited

Fund	Dept.	Major Program & Phase or Unit	Object/ Sub Object	Trust Account	Dollars	PHA
318	19	BPL44-04-S	6210	Bond Act 4-2025	n/a (\$0)	Municipal Housing Authority For the City of Yonkers

Budget Funding Year(s)_ Start Date: upon execution End Date: n/a

Funding Source Tax Dollars: \$0

State Aid: _____

N/A \$0 Federal Aid: _____
(Must match resolution)

Other: _____