

113976

DATE: June 25, 2026

TO: Board of Acquisition and Contract

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

SUBJECT: Resolution authorizing the County of Westchester to enter into an agreement with 98 Washington Avenue LLC, a wholly owned subsidiary of Lifting Up Westchester, Inc. in order to provide HOME Investment Partnership Program funding in an amount not to exceed \$125,000 to support the rehabilitation of 4 affordable housing rental units for a development located at 98 Washington Avenue in the Village of Pleasantville containing a total of fourteen (14) units of affordable rental housing that affirmatively further fair housing.

By way of background, on February 3, 2025, your Honorable Board approved a resolution (the February 3rd Resolution) that authorized the County to amend a certain Declaration of Restrictive Covenants ("DRC") that was executed on December 28, 2016 by Migi Asset Acquisition, LLC ("Migi") and filed in the Office of the County Clerk, in order to replace Migi with Lifting Up Westchester, Inc., its successors and/or assigns or any entity created to carry out the purposes of the transaction ("LUW") as the Developer, amend certain terms and conditions contained in the DRC including, but not limited to the affordability requirements, dates for construction completion, type of residential rental housing, and marketing requirements all as described below for a development ("Development") located at 98 Washington Avenue in the Village of Pleasantville ("Village").

Further, the February 3rd Resolution authorized the County to enter into an agreement with LUW in an amount not to exceed \$3,250,000 from the United States Department of Housing and Urban Development ("HUD") HOME-American Rescue Plan ("HOME-ARP") Program to assist in the purchase of the Property and the completion of the construction of the Development ("HOME-ARP Agreement"). The HOME-ARP Agreement was to commence upon execution and terminate fifty years thereafter. Completion of the Development would occur within one year of the execution of the HOME-ARP Agreement. Further, pursuant to the requirements of the HOME-ARP Program, ten (10) of the Affordable AFFH Units would be available to households that are homeless and have an income at or below fifty (50%) percent of the Westchester County Area Median Income ("AMI"), with priority given to those who are employed full time. Marketing of these units would be conducted through the County Continuum of Care program. The remaining four (4) units would be available to households with

incomes at or below sixty (60%) percent of AMI. These units would be marketed through the County's approved marketing plan. In addition to the HOME-ARP Agreement, LUW would execute a Note and Mortgage as security (the DRC, HOME-ARP Agreement, Note and Mortgage, together the "Loan Documents"). The Loan Documents were subsequently executed.

On May 29, 2025, your Honorable Board approved a resolution (the May 29th Resolution") that authorized the County to amend certain Loan Documents: 1.) to allow for the County, at its sole option, to forgive the repayment of the loan at the end of the thirty (30) year loan term; 2.) change the current interest calculation for the loan from 1% compounded annually to a simple annual interest calculation of 1%; 3) allow for the establishment of a capital and operating account to assist with future capital and operating needs in an amount of \$300,000 which represents the amount of County funds that were advanced at closing and held in escrow pending a determination of the construction costs of the Development, which funds were then anticipated to be released by the escrow agent; and 4.) change the requirements for the four (4) units that were anticipated to be available for households earning up to sixty (60%) percent of AMI and marketed through the County's approved marketing plan, to be now available to households that are homeless and have an income at or below fifty (50%) percent of AMI, with priority given to those who are employed full time so that the requirements are the same for all fourteen (14) units.

On March 12, 2026, your Honorable Board approved a further amendment to the HOME-ARP Agreement in order to designate ten (10) one-bedroom units as HOME-ARP AFFH units and to designate the remaining four (4) units as County Capital Project Funded AFFH units.

The attached Resolution, which if approved by your Honorable Board, would authorize the County to enter into an agreement with LUW in order to support the development of four (4) affordable housing rental units that will affirmatively further fair housing (the "AFFH HOME Units") at the Development, in an amount not to exceed \$125,000.00 ("HOME Funds") from the federal HOME Investment Partnership Program (the "HOME Program"). These funds would be for a term commencing one (1) business day after the County's receipt of the "Authority to Use Grant Funds" from HUD and will terminate two (2) years thereafter (the "HOME Agreement"). The HOME Agreement will be secured by a Note and Mortgage (the HOME Agreement, Note and Mortgage together the "Loan Documents") to be recorded in the County Clerk's Office.

Pursuant to the terms of the Loan Documents, interest will accrue at 1%, compounded annually, commencing at closing and continuing for a term of fifty years ("HOME Loan Term"). At the end of the HOME Loan Term, the principal and accrued interest due and owing to the County will be payable to the County, unless LUW extends the Period of Affordability for a specified term, and only if such extension is approved by the County in its sole discretion at that time.

These HOME Funds will be used to support the final improvements as required by the Village to provide additional security and ventilation enhancements. Once this work is completed, the Village will issue the permanent Certificate of Occupancy for the

fourteen (14) AFFH Units including the four (4) AFFH HOME Units that are the subject of this Resolution. All four (4) AFFH HOME Units will be available to households with incomes at or below 50% of the AMI and will remain affordable for a period of not less than fifty (50) years.

The goal and objective is to facilitate the completion of the Development which will be safe, secure and energy efficient and will provide rental opportunities for households that may not otherwise be able to afford to live in Westchester County.

The Department of Planning staff will monitor and track the completion of the Development, as well as monitor compliance with the marketing and on-going affordability requirements.

Act #101-2025, adopted May 19, 2025, by the Westchester County Board of Legislators, authorized the County to submit to the United States Department of Housing and Urban Development ("HUD") an amendment to the 2024–2028 Consolidated Plan on behalf of the Urban County Consortium to include the Fiscal Year 2025 Annual Action Plan for the Community Development Block Grant, HOME Investment Partnership Program, and Emergency Solutions Grant Program, and to accept such grant funds.

On June 17, 2025, the Board of Acquisition and Contract approved a resolution authorizing the County of Westchester to enter into an agreement with HUD to accept a grant totaling \$1,027,065.08 in HOME funds.

Based upon the foregoing, I respectfully recommend that your Honorable Board approve the attached Resolution in order to provide the HOME Funds to this Development.

BPL/lg/lac/je
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACTS 07/02/2025
FRANK J. CULKY, 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 an agreement with Lifting Up Westchester, Inc., its successors or assigns or any entity created to carry out the purposes of the proposed transaction, in an amount not to exceed \$125,000.00 in federal HOME Investment Partnership Program funds, in order to support the final improvements to the Development to create four (4) affordable rental units that will affirmatively further fair housing ("AFFH HOME Units"), to be located at 98 Washington Avenue (Section 106.6 Block 1 Lot 44) in the Village of Pleasantville (the "HOME Agreement"); and be it further

RESOLVED, that the term of the HOME Agreement shall commence one (1) business day after the County's receipt of the "Authority to Use Grant Funds" from the U.S. Department of Housing and Urban Development and will terminate two (2) years thereafter; and be it further

RESOLVED, all four (4) AFFH HOME Units, will remain affordable to households with income at or below 50% of the AMI for a period of not less than fifty (50) years; 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 the purposes hereof.

Account to be Charged/Credited

		Major Program, Program & Phase	Object/	Trust	
Fund	Dept	Or Unit	Sub Object	Account	Dollars
263	19	A173	4380	T173	\$125,000

Budget Funding Year(s)

FY2025

Start Date: Upon Execution

End Date: Two Years Thereafter

Funding Source: Tax Dollars _____

State Aid _____

Federal Aid \$125,000.00 - U.S. Department of Housing and Urban Development

Other _____

\$ 125,000.00

(must match resolution)