



ECLEG MAR19'13 AM10:28

# COUNTY OF ERIE

**MARK C. POLONCARZ**  
COUNTY EXECUTIVE

March 19, 2013

Erie County Legislature  
92 Franklin Street - Fourth Floor  
Buffalo, New York 14202

**RE: Community Development Block Grant (CDBG) and HOME Investment Partnership Program - Affordable Housing Project Assessment and Related Services Agreement**

Dear Honorable Members:

Enclosed please find a memorandum and proposed resolution pertaining to the execution of an agreement for affordable housing project assessment and related services associated with the federal Community Development Block Grant and HOME Investment Partnership Programs. These are administered by the Erie County Department of Environment and Planning.

Should your Honorable Body require further information, I encourage you to contact Deputy Commissioner Thomas J. Dearing at the Department of Environment and Planning. Thank you for your consideration on this matter.

Sincerely,

Mark C. Poloncarz, Esq.  
Erie County Executive

MCP/cw  
Enclosure

cc: Maria R. Whyte  
Thomas J. Dearing

## **MEMORANDUM**

**To:** Honorable Members of the Erie County Legislature  
**From:** Department of Environment and Planning  
**Re:** Community Development Block Grant (CDBG) and HOME Investment Partnership Program – Affordable Housing Project Assessment and Related Services Agreement  
**Date:** March 19, 2013

---

### **SUMMARY**

It is recommended that the Legislature adopt the attached resolution authorizing the County Executive to sign a professional services agreement with H. Sicherman & Co., Inc. The contract is for a maximum of \$9,000 total across all years. Work authorized through the contractual agreement pertains to affordable housing review services. The latter are necessary to insure Erie County compliance with the Consolidated and Further Continuing Appropriations Act of 2012.

### **FISCAL IMPLICATIONS**

There are no fiscal implications to the County's General Fund. Monies are available in the federally funded 2012 HOME Investment Partnership budget.

### **REASONS FOR RECOMMENDATION**

The Consolidated and Further Continuing Appropriations Act of 2012 (P.L 112-55) imposed new requirements on projects that receive FY 2012 funds from the HOME Investment Partnerships Program (HOME). The purpose of these requirements is to improve project and developer selection by participating jurisdictions (PJs) and ensure that there is adequate market demand for FY 2012 HOME Projects. Erie County is classified as a PJ.

PJs may only commit FY 2012 HOME funds to a project after it has underwritten the project, assessed the developer capacity and fiscal soundness of the developer being funded, and examined the neighborhood market conditions to ensure that there is an adequate need for the HOME project. The PJ must certify, at the time HOME funds are committed, that these actions have been taken for each project.

These requirements are likely to continue beyond the 2012 program year.

### **BACKGROUND INFORMATION**

H. Sicherman & Co., Inc. is located in Amherst, New York and is uniquely qualified to perform the required services. The firm is comprised of former federal Department of Housing and Urban Development (HUD) employees and thus, well versed in HUD regulations. Their expertise in project underwriting, evaluation of developer capacity, and subsidy layering is a skill set not present within the Department of Environment and Planning.

## **CONSEQUENCES OF NEGATIVE ACTION**

If negative action occurs, the ability of Erie County to comply with federal project review requirements will be compromised thereby threatening the receipt of approximately \$500,000 in HUD affordable housing dollars by Erie County.

## **STEPS FOLLOWING APPROVAL**

A contract will be executed with H. Sicherman & Co., Inc. for an amount not to exceed \$9,000 across all years.

**A RESOLUTION SUBMITTED BY:  
DEPARTMENT OF ENVIRONMENT AND PLANNING**

**RE: Community Development Block Grant (CDBG) and HOME Investment Partnership Program – Affordable Housing Project Assessment and Related Services Agreement**

**WHEREAS, the Erie County Department of Environment and Planning has the responsibility for carrying out the federal Community Development Block Grant (CDBG) and HOME Investment Partnership Programs on behalf of certain municipalities located in Erie County; and**

**WHEREAS, said Programs include the disbursement of federal monies to eligible not-for-profit, for-profit, and Community Housing Development Organizations for the purpose of undertaking affordable housing projects within the Erie County HOME Consortium area; and**

**WHEREAS, the federal Consolidated and Further Continuing Appropriations Act of 2012 requires detailed project underwriting, developer capacity reviews, market analysis, and other evaluations prior to the award of funds for any affordable housing project; and**

**WHEREAS, the Erie County Department of Environment and Planning lacks the skill sets to perform the aforementioned analyses.**

**NOW, THEREFORE, BE IT**

**RESOLVED, that the County Executive is hereby authorized to execute an Agreement with H. Sichernan & Co., Inc. for the purpose of completing project assessment reports associated with federally funded affordable housing; and be it further**

**RESOLVED, that the agreement shall terminate on March 31, 2015 and include an authorized contract amount not to exceed \$9,000 total across all years; and be it further**

**RESOLVED, that the source of funds shall be monies available within the Erie County Community Development Block Grant Budget, in Project J.00412, WBS element J.00412.2.1; and be it further**

**RESOLVED, that certified copies of this resolution be sent to the County Executive's Office; the Comptroller's Office; the Director of the Division of Budget and Management; the County Attorney; and the Commissioner of the Department of Environment and Planning, Rath Building, 10<sup>th</sup> Floor.**