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COUNTY OF ERIE

MARK C. POLONCARZ
COUNTY EXECUTIVE

June 5, 2012

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

Re: Amendatory Agreements to Two Affordable Housing Contracts, (1) New Opportunities Community Housing Development Corporation – Purchase, Rehab, Sale Program, and (2) The Service Collaborative of Western New York, Inc. – Housing Rehabilitation School Street Neighborhood, West Seneca

Dear Honorable Members:

Enclosed please find a suggested resolution and accompanying memorandum regarding the allocation of federal HOME Investment Partnership Program funds. The resolution authorizes the execution of two amendatory agreements to existing affordable housing contracts between Erie County and the following Community Housing Development Organizations (CHDO):

1. New Opportunities Community Housing Development Corporation – Purchase, Rehab, and Sale – Erie County HOME Consortium.

2. The Service Collaborative of Western New York, Inc. – Housing Rehabilitation, School Street Neighborhood – Town of West Seneca.

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

Sincerely yours,

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: Environment and Planning
Re: Amendatory Agreements to Two Affordable Housing Contracts, (1) New Opportunities Community Housing Development Corporation – Purchase, Rehab, Sale Program, and (2) The Service Collaborative of Western New York, Inc. – Housing Rehabilitation School Street Neighborhood, West Seneca
Date: May 18, 2012

SUMMARY

The resolution authorizes the County Executive to execute amendatory agreements to the following contracts.

1. October 21, 2011 agreement with New Opportunities Community Housing Development Corporation, increasing the authorized amount from $225,467 to $458,500.85

2. July 27, 2008 agreement with The Service Collaborative of Western New York, Inc. (FKA Western New York Americorps), increasing the authorized amount from $108,950 to $130,450.

FISCAL IMPLICATIONS

There are no County funds involved, thus there is no fiscal impact to Erie County.

REASONS FOR RECOMMENDATION

The federal Department of Housing and Urban Development (HUD) requires that at least 15% of all HOME grant funds allocated to the HOME Consortium be utilized by Community Housing Development Organizations (CHDO). These are non-profit agencies organized under state or local law, where their governing board and organizational structure reflect their accountability to low-income residents. New Opportunities and The Service Collaborative qualify as CHDOs.

The selection of New Opportunities and The Service Collaborative were subject to the consultant selection process as required under Section 19.08 of the Erie County Administrative Code. Results of the process are attached to the resolution. (See Attachment A)

BACKGROUND INFORMATION

The amendments will allow the following to occur.

- New Opportunities will be able to purchase, rehabilitate and sell two (2) additional houses for eventual sale to an eligible low/moderate income applicant. The houses must be located within the Erie County HOME Consortium service area. (See Attachment B)

- The Service Collaborative will complete the rehabilitation of the two-unit residential structure at 20 School Street in the Town of West Seneca. It will then be rented to eligible low and moderate income households for the fifteen year affordability period.

CONSEQUENCES OF NEGATIVE ACTION

Erie County would have to find other eligible projects within a very limited federal time frame.

STEPS FOLLOWING APPROVAL

The County Executive will execute agreements with New Opportunities Community Housing Development Corporation and The Service Collaborative of Western New York, Inc. for those projects described in the above paragraphs.

A RESOLUTION SUBMITTED BY:
DEPARTMENT OF ENVIRONMENT AND PLANNING

RE: Amendatory Agreements to Two Affordable Housing Contracts, (1) New Opportunities Community Housing Development Corporation – Purchase, Rehab, Sale Program, and (2) The Service Collaborative of Western New York, Inc. – Housing Rehabilitation School Street Neighborhood, West Seneca

WHEREAS, Community Housing Development Organizations (CHDO) are non-profit agencies established under federal or state law where their governance structure is inclusive of and responds to the needs of low-income households within a specific service area; and

WHEREAS, New Opportunities Community Housing Development Corporation is a qualified CHDO and executed a $225,467 contract with Erie County on October 21, 2011 to undertake a purchase, rehab, and sale program within the Erie County HOME Consortium for low and moderate income households; and

WHEREAS, New Opportunities has requested an additional $233,033.85 allowing the purchase of two more housing units for eventual improvement and sale as affordable housing; and

WHEREAS, The Service Collaborative of Western New York, Inc. (FKA Western New York Americorps) is a qualified CHDO and executed a $95,000 contract with Erie County on July 27, 2008, and a $13,950 amendment on June 17, 2010, to undertake the rehabilitation of a two-unit residential structure located at 20 School Street in the Town of West Seneca; and

WHEREAS, The Service Collaborative is seeking an additional $21,500 to address foundation and lead paint issues within the structure; and

WHEREAS, the County of Erie has been awarded a federal HOME Investment Partnership grant of $1,052,135 for fiscal year 2011 and $694,898 for fiscal year 2012 by the United States Department of Housing and Urban Development; and

WHEREAS, a minimum of fifteen percent of said funds are to be provided to eligible Community Housing Development Organizations (CHDOs).

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Executive is hereby authorized to execute a First Amendatory Agreement to the October 21, 2011 contract with New Opportunities Community Housing Development Corporation for the Purchase, Rehab, and Sale Program increasing the contract amount from $225,467 to $458,500.85; and be it further

RESOLVED, that the Erie County Executive is hereby authorized to execute a Second Amendatory Agreement to the July 27, 2008 contract with The Service Collaborative of Western New York, Inc. for the rehabilitation of 20 School Street in the Town of West Seneca, increasing the contract amount from $108,950 to $139,450; and be it further

RESOLVED, that disbursement of said funds shall be conditioned on the following:

1. Completion of all state and federal environmental review requirements.
2. Completion of all necessary subsidy layering analyses as required by the federal Department of Housing and Urban Development.

And be it further

RESOLVED, that certified copies of this resolution be forwarded to the County Executive; the Commissioner of the Department of Environment and Planning; the County Comptroller; the County Attorney; and the Director of the Division of Budget and Management.

ATTACHMENT A

Selection Committee Review

NAME OF PROJECT: HOME/Community Housing Development Organizations (CHDO) Funding for Programs 2011 and 2012

SKILL REQUIRED: Funds available only to qualified CHDO

Committee Member	New Opportunities Community Housing Development Corp.	New Service Collaborative of Western New York
Chris Hull, Director of Community Development Town of Hamburg	87	92
Jennifer Wood, Erie County Department of Senior Services	91	88
Michael Alspaugh, Senior Planner, Erie County Department of Environment and Planning	73	73
Total	251	253

Three CHDOs responded to the CHDO Request for Proposals. Two of the three CHDOs projects are being recommended for funding at this time. Additional information is needed before the third project can be approved for funding.

In my opinion, it is recommended: New Opportunities Community Housing Development Corp. and The Service Collaborative of Western New York, Inc. be approved to develop affordable housing for low income households in the Erie County HOME Consortium communities. The Department of Environment and Planning (DEP) has complied with all applicable provisions of Section 19.08 of the Erie County Administrative Code.

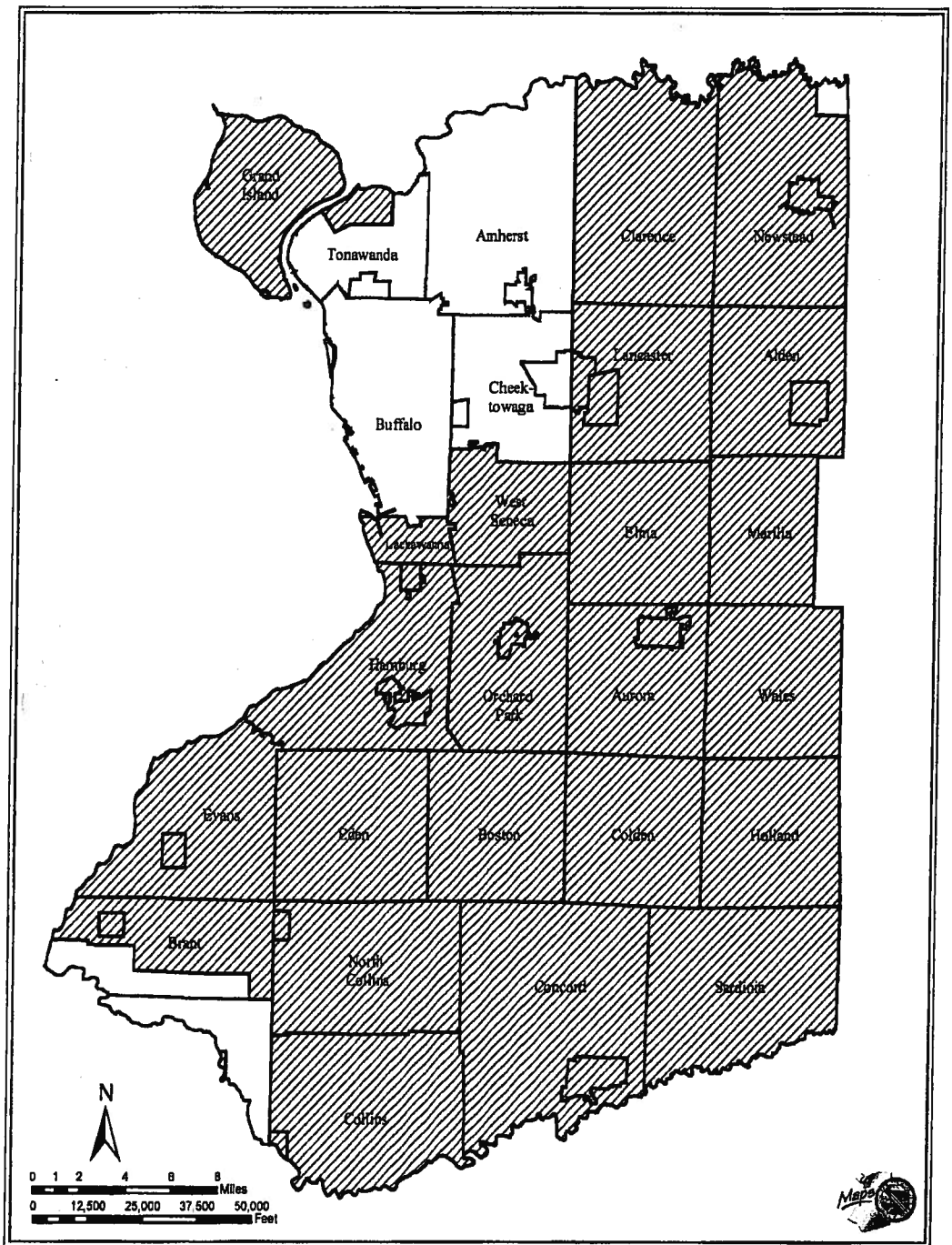
Sheets and other scoring material related to this matter are available for review at the Department of Environment and Planning offices during regular business hours.

Maria R. Whyte

MARIA R. WHYTE, Commissioner
Department of Environment and Planning

ATTACHMENT B

Map



Prepared by the Erie County
Department of Environment & Planning
Office of GIS, June 2011

Basemap Copyrighted by the
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Erie County, New York
2010 HOME Consortium
Figure 2

Area not in the HOME Consortium
Area within the HOME Consortium