

Bedford Town Housing Agency
Blue Mountain Housing Development Corporation
Annual Report
2012

Committee Members	Assignments
Margaret Coe (Resigned)	Doyle House lead
Rhoda Gushue	Bedford Lakes Rentals lead
Julie Stern	Wildwood Road
Charles McDuffie (Deceased)	Treasurer
Richard Lemon (Deceased)	Site Selection
Daniel Herman	Not-for-profit contact person
Michael Tosto	Doyle – construction
Amy Pectol	Tax foreclosures
Sheila McSpedon	Secretary, Site Selection
Bruce Yablon	Treasurer
Thomas McGrath	Chairman, Budget
Richard McCauley	Consultant (Non-voting)
Randy Lawrence	ex officio

The Committee met formally nine times during 2012. The November and December meetings were combined. The Board does not meet in July or August.

Invited guests to attend meetings were as follows:

Gerry Granelli – head of maintenance for A-Home, Joan Arnold – Executive Director of A-HOME. Rose Noonan Executive Director of The Housing Action Council

BEDFORD TOWN HOUSING AGENCY

Bedford Lakes Rentals – 28 Low and Moderate Income Senior Citizen Apartments.

Of the 62 total units, 28 are under the oversight of Bedford Town Housing Agency. During the past few years the low and moderate income units' rental price has caught up to the market rate prices. Rentals are affordable to seniors earning no more than 50% - 60% of Westchester County median income adjusted by family size. Several units were available and leased during 2012.

Lakeside at Bedford – 14 Middle Income Town homes.

As part of a much larger development, 14 town homes were built in 1997-98 under the Town's Middle Income Housing Zoning. When available, homes are affordable to families earning no greater than the median income of a Bedford Town employee adjusted by family size. No sales took place during 2012.

North Bedford Road - 20 Moderate Income Rental Apartments.

This 19 unit plus 1 single family home was funded by Westchester County Land Acquisition Funds. The property is affordable to families earning no more than 80% of the Westchester median income adjusted by family size.

Anderson Road – Single family home with an accessory apartment.

Developed in a partnership with AHOME this property consists of a 3 bedroom home along with a 1 bedroom accessory apartment. If available, this home is affordable to families earning no more than 80% of Westchester County median income adjusted by family size. The rental, if available, is affordable to residents earning 60% of median.

Harris Road – 1 two bedroom and 1 one bedroom apartment.

The Westchester Land Trust acquired a property on Harris Road to relocate their offices. The property contained a garage along with two apartments. The Land Trust agreed to rent the units to families earning no more than 80% of Westchester County median income adjusted by family size. Both units were rented originally in 2007. In 2012 no turnover of apartments took place.

Woodcrest Senior Condos – 7 one-bedroom condominiums for Senior Citizens.

Woodcrest is located in Mount Kisco. However, the access to the site runs through the Town of Bedford. At the time of approvals, an agreement was made between the Town of Bedford and the developer to reserve 7 units for Bedford residents. The units are affordable to families earning 80% of the Westchester median income adjusted by family size. No Bedford re-sales were reported this year.

BLUE MOUNTAIN HOUSING DEVELOPMENT CORPORATION

Doyle House – 4 units of low-income housing.

Doyle House is the only property owned by Blue Mountain Housing. Finances on the property have been excellent. Positive cash flow has been approximately \$10,000 per year. NYS mandated reserves being held in escrow exceed \$65,000. These reserves include operating, replacement and capital reserves. The property is managed by AHOME: services include collecting rents and providing maintenance, AHOME also provides case management for the tenants. Case management includes various social services along with special considerations including gifts of turkeys at Thanksgiving. Apartments are affordable to families earning no more than 50% of Westchester County median income adjusted by family size. At the end of 2010 the mortgage secured by the property was paid off in full. Planning for extensive renovations continued in during 2012.

David Lapsley Road – Single family 3 bedroom home.

The Town of Bedford sold two parcels of excess land to an affiliate company sponsored by Blue Mountain Housing known as Bedford Housing Development Fund Corporation. One parcel included a single family home in disrepair. With the assistance of The Town of Bedford and Habitat for Humanity, the home was completely renovated. This home was originally slated to be sold to a Bedford Fireman however; no Fireman ultimately chose to purchase the home. The home was sold to a Bedford Town employee. This home is affordable to a family earning no more than the Town of Bedford employee median income adjusted by family size.

Habitat House – Single family 3 bedroom home.

The second parcel of land referenced above was a vacant lot also sold by The Town of Bedford to Bedford Housing Development Fund Corporation. Bedford HDFC in turn sold the property to Habitat for Humanity for \$10. Habitat for Humanity is a private not for profit development company building homes primarily with donated labor and often materials. As part of the sale, Habitat agreed to allow Blue Mountain Housing to retain the rights to locate a purchaser for the home from our priority lists. The home was completed during 2008 and Blue Mountain located a purchaser from the Town of Bedford employed by the Bedford Central School System. This home is affordable to a family earning no more than the Town of Bedford employee median income adjusted by family size.

Wildwood Road – Blue Mountain Housing provided a \$50,000 deferred loan to A-Home to re-develop this 7 unit historic building in Katonah. A-Home has also received \$475,000 in funding from Westchester County for rehabilitation. The units will be affordable to families earning 60% to 80% of Westchester median. The units will remain affordable for 40 years.

PROPERTIES AND ISSUES TRACKED DURING 2011

Bailey Hall Property

Blue Mountain continues to monitor the Bailey Hall property subdivision. Under the Town's affordability laws, at least 10% of the homes must be affordable. The Town Planning Board has stipulated that 2 affordable housing units must be built as part of the development – if it comes to fruition. The homes will be affordable to families earning 80% of Westchester County median adjusted for family size.

School Street Bedford Hills

Blue Mountain has tracked this vacant lot on the corner of Bedford Road and School Street as it has moved through approval for a home and wetlands approval. The potential is for a two family affordable house. The owner of the lot has not decided if he will sell the lot as yet.

Route 22 Bedford Village

Blue Mountain is seriously considering the development of this property in Bedford Village for a possible fair and affordable housing development. The intention is to partner with Westchester Housing Action Council to acquire and develop the property as 15 to 20 affordable homeownership housing units. The Board approved spending approximately \$4,500 for preliminary site assessment for septic tests and preliminary engineering. The site should permit up to approximately 20 units of housing based on the tests for a septic system. To date access to the site remains a problem. The frontage of the property is very steep and adjacent parcels have proven too costly to acquire.

Westchester County Fair and Affordable Housing Settlement

In 2009 Westchester County signed a housing settlement with the US Department of Housing and Urban Development which requires the County to develop 750 units of fair and affordable housing throughout 31 communities – including Bedford. Blue Mountain has carefully monitored the housing settlement and its potential effects on the Town of Bedford. Members of the Board attended several meetings updating the implementation plan. Blue Mountain has worked with the Town Planning Department and the Town Planning Board to create Fair and Affordable Housing Zoning in Bedford. The Zoning is based on Westchester County's Model Zoning Ordinance for Fair and Affordable Housing.

Merv Blank Property – McLain Street and Route 172 – Blue Mountain remained interested in the potential of affordable housing on this site since the owner continued to maintain that it was his desire to see the property developed this way. Blue Mountain continues to work to create affordable housing on this site – see below.

YEAR 2012 HIGHLIGHTS

- ***Case Management Fee at Doyle House:***

The Board of Directors approved an increase in the quarterly case management amount Blue Mountain pays to A-Home from \$625 to \$1250 retroactive to March 1, 2012 for the months of March, April, and May 2012. The increase was due to State supportive funds being cut to A-HOME for services they provide to tenants. It was decided that the role and support that A-HOME provides to the tenants of Doyle House was important and valuable and should not be diminished.

- ***Doyle House*** –An Energize NY study was completed for the Doyle House free of charge. Recommendations were made on what should be done to seal the envelope of the building, ie. attic, walls and duct work. They suggested 3 scenarios.

One would involve removing the insulation in the attic and basement and sealing it for about \$12,000. The second scenario is to insulate the exterior for about \$20,000 with dense pack insulation. There is a \$3,000 rebate for scenarios 1 and 2. The third scenario would be taking everything out of the attic then fill it with cellulose (loose insulation product) and seal it. The same would be done with the basement and the rim joists would be sealed. The third scenario would include installation of new windows. There would not be a rebate for the windows as these don't fit into the category of improvements providing a big energy saving return for the cost.

It was noted that the large expense of energy savings improvements versus pay back periods far into the future must be considered in making our decision on the extent of improvements to be undertaken. It was decided to move forward with new windows.

- ***League of Women Voters event.*** Julie Stern spearheaded Bedford's involvement in this affordable housing event with Supervisor Roberts, Housing Monitor Robert Johnson, and representatives of HUD and Westchester County. The event was an opportunity for all parties to present the facts about the Westchester County Housing Settlement. It was very educational, productive and well attended.
- ***Merv Blank property*** – McLain Street and Route 172 – Discussions have taken place to assist ACE, a not for profit development company with Joan Arnold as Executive Director, with the financing of pre-development funds for the development of 6 affordable condominiums. Westchester County and the Bedford Town Board have shown interest in moving this development forward.

- ***Source of Income Legislation*** - Discussion ensued regarding a federal magistrate's recent ruling regarding the Fair and Affordable Housing Settlement between Westchester County and HUD.

At issue is the discrimination against potential homeowners and renters who rely on vouchers and subsidies (source of income). The Board of Legislators in 2010 voted for legislation that landlords should not be able to discriminate against potential tenants receiving housing vouchers. This source of income legislation was vetoed by the County Exec.

The magistrate concluded that the County settlement requires the County to promote source of income legislation, but it does not require the County Executive to sign the legislation into law.

The magistrate rejected the County Executive's challenge on how the County will eliminate exclusionary zoning practices that may exist in Westchester.

- Planning continued for the extensive renovation of Doyle House. Plans include renovation of some kitchens, windows, flooring and odds and ends. Funding will be provided by the repairs and replacement escrow funds.
- Discussions began on creating a Fair and Affordable Housing Ordinance for the Town of Bedford. The zoning is based on Westchester County's Fair and Affordable Housing model ordinance. It would require all subdivisions and multifamily properties to include affordable housing.
- Resolution was passed to fund preliminary due diligence items for the development of a 7.5 acre parcel on Route 22 in Bedford Village for the development of 15 to 20 units of Fair and Affordable Housing. Blue Mountain plans to develop the property in partnership with Westchester Housing Action Council.
- Recommendation was made by Julie Stern to have the League of Women voters Fair and Affordable Housing Forum in the Town of Bedford. The panel will include James Johnston, the Westchester County Housing Monitor, a representative from HUD, representatives from Westchester County Planning Department, a representative from the Town of Bedford and a local Fair and Affordable Housing developer.

Blue Mountain Lending and Grant Programs

Accessory Apartment Financing Assistance

- Recipients: Homeowners and investors interested in creating an affordable accessory apartment on their property located in the Town of Bedford.
- Funds: Eligible applicants may receive financing toward the construction/rehabilitation of an accessory apartment. These costs may include construction costs and architectural costs. The loan amounts and rental rates may be from \$20,000 to \$35,000.
- Restrictions: The apartment must be rented to tenants with incomes at or below **60% of the Westchester County median income** adjusted by family size. Eligible tenants must meet Town of Bedford's category of priority as to employment and residency. The apartment must remain affordable for at least 20 years. In the event the property is sold prior to the restriction term the funds must be repaid.

Down Payment Assistance Program

- Recipients: Families with incomes at or below the **median income of a Bedford Town Employee** or **80% median income of Westchester County** adjusted by family size depending on the property's restrictions (which ever is lower). The family must be a first time homebuyer.
- Funds: Eligible applicants may receive up to \$12,500 towards the purchase of an affordable home in the Town of Bedford. The funds may be used to cover the cost of the purchase of a home including down payment and reasonable closing costs.
- Restrictions: The home must remain affordable for at least 20 years. If the buyer sells the home earlier, the funds are subject to repayment. The funds may remain in place if the owner sells to another eligible purchaser.

Pre-Development Loan Program

- Recipients: Not for profit developers interested in developing affordable housing in the Town of Bedford (including Blue Mountain Housing Development Corp.).
- Funds: Eligible applicants may receive up to \$25,000 loans for pre-development studies. Funds may be used for engineering studies, architectural drawings, soil borings or other uses approved by Bedford Town Housing

Agency. Funds are to be repaid no later than the start of construction. Applicant must show reasonable feasibility of potential development.

Restrictions: Proposed development will meet Bedford Town Housing Agency's affordability requirements.

Acquisition Program

Recipients: Experienced for-profit and non-profit developers interested in developing affordable housing in the Town of Bedford are eligible.

Funds: Applicants may receive up to \$50,000 to assist in the purchase of land or a building to be developed as affordable housing. Funds may be used toward the purchase price or reasonable closing costs. Applicant must document financial need for the funds and that with the funds the proposed development is feasible.

Restrictions: Rentals – Units must be affordable to tenants with incomes at or below **60% of the Westchester County median income** adjusted by family size. The apartments must remain affordable for at least 40 years.

Homeownership – Units must be sold to families with incomes at or below the median income of a Bedford Town Employee or 80% median income of Westchester County adjusted by family size depending on the property's restrictions. The family must be a first time homebuyer. In the event the property is sold prior to the restriction term the funds must be repaid.

New Construction / Rehabilitation Grants

Recipients: Experienced for-profit and non-profit developers interested in developing affordable housing in the Town of Bedford.

Funds: Applicants may receive up to \$50,000 to assist in the financing of new construction or rehabilitation of affordable housing. Funds may be used for actual construction costs together with other subsidies and private financing. Applicant must document financial need for the funds and that with the funds the proposed development is feasible.

Restrictions: Rentals – Units must be affordable to tenants with incomes at or below **60% of the Westchester County median income** adjusted by family size. The apartments must remain affordable for at least 40 years.

Homeownership – Units must be sold to families with incomes at or below the median income of a Bedford Town Employee or **80% median income of Westchester County** adjusted by family size depending on the

property's restrictions. The family must be a first time homebuyer. In the event the property is sold prior to the restriction term the funds must be repaid.

Blue Mountain Acquisition Fund

Recipient: Blue Mountain Housing Development Corp.

Funds: Blue Mountain may consider acquiring houses or condos, moderately renovating them and selling them as affordable homes. Blue Mountain would leverage their own dollars with other subsidies and private debt in order to afford the acquisition.

Restrictions: Homes would be sold to families with incomes at or below **80% median income of Westchester County** adjusted by family size depending on the property's restrictions. The family must be a first time homebuyer and the homes must be affordable in perpetuity.

Handicap Accessibility Assistance Program

Recipient: Residents in the Town of Bedford requiring assistance in creating handicap accessibility to their primary residence.

Funds: Applicants may receive up to \$10,000 to assist in the financing of construction of accessible feature to a home. Funds may be used for actual construction costs together with other subsidies and private financing. Applicant must document financial need for the funds.

Restrictions: Funds are available to residents earning **50% of the median income of Westchester County** adjusted by family size.

SUB-COMMITTEES

Blue Mountain sub-committees to work on certain issues and report to the Board of Directors. The sub-committees are as follows:

1. Site Selection Committee – is charged with looking for opportunities to create affordable housing through-out the Town. The committee will search for land for sale, inexpensive homes for sale and development opportunities.
2. Loan Committee – is charged with reviewing applications for loans from Blue Mountain or Bedford Housing Trust Fund. The committee will make recommendations for approval with terms and conditions to the Board of Directors. Final approval will be from the Board.
3. Budget Committee – is charged with establishing a budget for Blue Mountain and Bedford Town Housing Agency.