

**Bedford Town Housing Agency**  
**Blue Mountain Housing Development Corporation**  
**Annual Report**  
**2014**

<b>Committee Members</b>	<b>Assignments</b>
Rhoda Gushue	Bedford Lakes Rentals
Julie Stern	Wildwood Road
Michael Tosto	Doyle House
Amy Pectol	Tax foreclosures
Sheila McSpedon	Secretary, Site Selection
Bruce Yablon	Treasurer, Doyle construction
Stephen Hutto	Septic alternatives
Cynthia Jaffee	Rental Waiting List
Carl Jaffee	Bedford HDFC
Thomas McGrath	Chairman, Budget
Richard McCauley	Consultant (Non-voting)
Randy Lawrence	ex officio

The Committee met formally ten times during 2014. A Special meeting was convened on July 15<sup>th</sup> 2014 to approve a Memorandum of Understanding with The Town of Bedford regarding the possible lot acquisition to build and affordable single family home on Jefferson Road. The December 2014 and January 2015 meetings were combined. The Board does not meet in July or August on a regular basis.

**Invited guests to attend meetings were as follows:**

**Bill Balter** attended a meeting to discuss a high end residential development off Rte. 22 (Crusher Rd.) which will include affordable housing. His projects are primarily in Westchester County and the Hudson Valley, and two-thirds is affordable housing and the rest is luxury housing.

This project will be age targeted for people selling their homes in Bedford. Homes will begin selling in the range of \$750,000 and up. Mr. Balter will consider more than 10% of the homes as affordable. He plans to include a 4 acre neighborhood farm for the benefit of residents, neighbors and restaurants of the Town. There will be two miles of trails on the property with public access.

There are a total of 74 homes. The affordable homes will be interspersed throughout the development. The farmer will have a home as well since he is working the garden area. There will be 8 other affordable homes. There are pedestrian connections to the homes and trails. There will be 40 detached market rate homes and 9 affordable units; 25 single family homes and 1 affordable home for the farmer.

**Town Supervisor Chris Burdick** joined several meetings. Supervisor Burdick suggested that in addition to larger projects, smaller projects should be considered by Blue Mountain which would be more cost effective and quicker to complete since large projects require SEQR review that could take years.

Supervisor Burdick noted 3 categories of possibilities: Properties owned by the town; existing affordable housing where the number of units might be increased (e.g. Wildwood Rd.); and foreclosed properties, where the lender or the lender's affiliate has control of the property and the authority to discuss selling it to us.

**Department of Planning Head Jeff Osterman** also joined in meetings to discuss the possible acquisition of a building lot owned by the Town of Bedford. Mr. Osterman explained that a lot line change would be required but may be an excellent option to create an affordable home.

## **YEAR 2014 HIGHLIGHTS**

**Bedford Playhouse** - Members of the Blue Mountain Board attended a charrette for the Bedford Playhouse presented by Alchemy Properties for the new construction of a mixed use building adjacent to the Playhouse building. The new building would include 6 affordable housing units. Blue Mountain was supportive of the affordable units.

**Rome Ave** - Discussions took place regarding the possibility of addition affordable apartment units being built on the Rome Avenue Apartment property. The discussion was in connection with the owners request to tie into the Bedford Hills Correctional Facility adjacent to the property. The long term owners of the property had severe

potential tax liabilities if the property was transferred to a new entity in order to build the housing.

**Bedford Road** - A request for assistance and financing was made by a property owner on Bedford Road in Bedford Hills. The occupied mixed use building was not in code compliance for residential use on the second floor. After a great deal of consideration, the Board decided that substantial additional work was required (along with code compliance).

The Board responded that it would consider assisting with financing for the code compliance corrections however, each apartment would require additional construction and upgrade at the same time. Blue Mountain could not finance the entire amount of the construction contemplated. No further action was taken by the owner of the property.

**Bedford Hills Nursery** - Members of the Town Board, Planning Board and Blue Mountain tour the property along Bedford Road known as Bedford Hills Nursery. The 6 acre property is mostly located in a multifamily zoning and the owner is interested in building affordable housing. Most participants were generally supportive of further study of the property.

The development would include 40 apartments that would be rented to tenants earning 60% of median of Westchester County. Rents would be in excess of \$1,500 per month. The owner has engaged an engineer to determine the viability of a septic system on the property. Discussions are ongoing.

**Jefferson Lane** - Discussion ensued with the Town of Bedford about the purchase of a building lot on Jefferson Lane. in Bedford Village. A Memorandum of Understanding (MOU) was prepared and signed between Blue Mountain and The Town of Bedford on a procedure to move forward with responsibilities. First steps are to consider a lot line change and second step is to begin engineering for a septic system. If the engineering allows for a septic system, meetings will be held with neighbors to discuss the home to be built. insurance for a machinery on site, etc.

**Housing Settlement** - Supervisor Burdick provided an update on information from the Federal Monitor concerning housing data and zoning matters as to whether or not municipalities had zoning that included impediments to affordable housing. (HUD applies certain tests derived from cases and some municipalities have taken the position that HUD did not have the authority to request responses).

On behalf of The Town of Bedford, the Planning Department assisted Supervisor Burdick with responses for the Monitor. Updated reports from the Monitor on each of the municipalities (aka the report card - placing municipalities into Good, Fair, or Failing categories) have been issued. The Monitor's analysis of our responses demonstrates in the report that our zoning is not perpetuating any ethnic and racial clustering and is not restricting affordable housing.

**Deer Park Road** – Blue Mountain and the Town of Bedford had previously signed a Memorandum of Understanding to acquire a vacant lot on Deer Park Road. The Board approved \$10,000 to study the potential development.

An engineer was hired to review existing conditions. The middle parcel needs a well. The existing wells impact the location of the septic systems. The well to the left (west) is close to the property line and is a problem. The well to the right (east) is in the middle of that parcel. The driveway entrance to the middle parcel is relatively steep and the grading would intrude on the ability to put in a septic system. Thus we need the property to the left or right to get in to the middle parcel.

The engineer's conclusion is that with the way the current wells on the property are configured there is not enough room to put a house and septic on the vacant lot. This property is currently on hold pending further investigation.

**The Westchester Land Trust** – has agreed to keep the rental units at the same rent for the third year in a row. The original tenants are still in place.

**Web Site** – Information in the Blue Mountain section of the Town's web site has been update during 2014.

**Land Use Law Center** – On behalf of Blue Mountain, Tom McGrath spoke at the The Land Use Law Center which convenes meetings of chief elected officials from the 31 "settlement communities" under the Westchester County lawsuit settlement providing continuing education on the subject matter of fair and affordable housing and a place for elected officials to have a conversation and exchange ideas on promoting fair and affordable housing.

## **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 80% - 90% of Westchester County median income adjusted by family size. Several units were available and leased during 2014.

**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 2014.

**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 is affordable to residents earning 60% of median. No activity was reported during 2014.

**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 2014 the land trust agreed to keep rents at the same level for the third straight year. The original tenants are still in 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 during 2014 was \$24,806 for the 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. A plan to replace the windows was approved in 2014. Total cost is not

expected to exceed \$35,000 and will be paid from the operating account. Work is to begin in spring of 2015.

**David Lapsley Road** – Charles McDuffie House - 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 2014**

**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 these vacant lots on the corner of Bedford Road and School Street as it has moved through wetlands approval. The potential is for a two family affordable house. The owner of the lot's asking price for the property is too high to create affordable housing. Subsequently the owner paid back taxes.

### **Foreclosures**

Blue Mountain has been tracking a number of properties that are in foreclosure within the Town of Bedford. It has proved to be very difficult to make contact with the correct people/departments at the various banks involved. Blue Mountain may be able to create homeownership opportunities if this strategy becomes successful.

### **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. 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.

## **BLUE MOUNTAIN HOUSING LENDING PROGRAMS**

### **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.