

## **MAYOR MARVIN'S COLUMN**

Many residents returned from the summer to learn of the Affordable Housing Settlement agreement signed by County Executive Andrew Spano.

The Trustees and I only learned of the agreement by watching the news and reading the newspaper. Like our County Legislators, municipal officials had no input or knowledge of the pending settlement.

The 38 page stipulation agreement is available in print at Village Hall as well as on the Village website. I urge you to read it because if passed, it could have far reaching financial impacts on the County for years to come.

The following is my distillation of pertinent facts after a third read of the document. They are by no means a complete synopsis of the document rather highlights I deemed explanatory.

- The agreement was signed by County Executive Andrew Spano, however, to take effect it must be ratified by 8 County legislators by September 24<sup>th</sup>. The bonding authority to execute the terms of the agreement must be ratified by 12 County legislators. If not approved, the case would go to trial on November 2<sup>nd</sup>.
- The stipulation agreement was the result of settling a lawsuit brought by the Anti-Discrimination Center of New York, a non-profit advocacy and litigation group. The Department of Justice and the Department of Housing and Urban Development joined the suit as parties.
- The lawsuit was based on the False Claims Act. The plaintiff argued that when the County received Community Development Block Grants and HUD funds for affordable housing between 2000 and 2006, the County Executive's office stated in writing that they had complied with mandates to encourage affordable housing. In essence, the suit was based on falsifying documents. In his deposition, County Executive Spano said, "I signed whatever I have to in order to get the money from HUD."
- The County must spend \$50 million and agree to build or acquire 750 affordable housing units in seven years. 630 units must be built in the 24 communities where black residents represent less than 3% of the population and Hispanics less than 7%. Bronxville is included in this group along with Eastchester, Scarsdale, Chappaqua, Larchmont and Pelham Manor to name a few.
- Of the 750 units, 75% must be new construction and 50% must be rental units. No more than 25% can be for senior housing and the first senior unit cannot be built until 175 non-senior units have received building permits.

- The County would agree to take legal action against its villages and towns to compel compliance with the agreement.
- A family of four could earn up to \$53,000 to qualify for a rental unit and earnings up to \$75,000 would qualify them for homeownership.
- All eligible applicants would go into a lottery with no preference for those currently working in a particular community.
- The Anti-Discrimination Center will receive \$2.5 million to cover their costs in bringing the suit.
- The agreement contains no plan of implementation. Mr. James E. Johnson, of the law firm of Debevoise, Plimpton was appointed as a monitor at an annual salary of \$250,000 to work with the County to implement the agreement with benchmarks and timetables after it is signed.
- It appears that the County will have the authority to challenge local zoning laws including minimum lot size and use its eminent domain powers to acquire property.
- The County must actively market the housing units in nearby communities with large non-white populations.

The following are comments made and issues raised by the County Legislators at a Special Meeting called on September 18<sup>th</sup> to discuss the Stipulation Agreement which I attended.

- Concern that because there is no implementation plan, the signing of the agreement is placing the cart before the horse.
- Concern that there was no financial analysis in the agreement on issues such as consideration of current and future interest rates, cost of land, reasonable rental rates and subsidies per unit, local taxes, etc.
- Major questions included how can 750 units be built for \$50 million and whether folks chosen in the lottery could really afford to live in communities once the homes were built.
- Concerns that the County would be in the position of suing its own residents with their own tax dollars.
- The fact that 2000 census data, already nine years old, is used as the population benchmark.

- The representative of County Executive Spano stated there is no plan for a per capita distribution of units or an assignment of a certain number of units to targeted communities.
- The concern that because there is a ceiling but no floor on income levels, rental rates would have to be lowered to accommodate those eligible with little or no income. Taxes received by a municipality would decrease because taxes on such properties are based on rental stream income.

I urge you to read the agreement and express your thoughts to all our County Legislators and most particularly Bronxville's representative, Gordon Burrows, at 995-2830.