

COUNTY OF SUFFOLK



STEVE LEVY
SUFFOLK COUNTY EXECUTIVE

WORKFORCE HOUSING PROGRAM Property Acquisition Program

Suffolk County intends to support the development of affordable housing by acquiring vacant land and improved parcels that are suitable for development or redevelopment purposes.

The Workforce Housing Program (the "Program") is designed to promote the creation of affordable rental and ownership housing for Suffolk County residents. The Program also seeks to address the County's goal of stabilizing and preserving neighborhoods and communities and promoting "Smart Growth". Through the Program, the County will acquire and transfer approved parcels to the participating Town or Village. The Program has been established pursuant to Suffolk County Local Law No. 13-2000 as amended and as set forth in Article XXXVI of the Suffolk County Code. (the "County Code") The Suffolk County Executive Office and the Suffolk County Legislature must approve all transactions.

Program Overview: The County will acquire approved parcels that will be used for the development or redevelopment of affordable rental or first time homebuyer housing. The parcels will be transferred at no cost to the participating Town or Village, which will either develop the site itself, or in connection with a non-profit or for profit entity. Projects must meet the affordability guidelines set forth in the County Code.

Approved applications will be funded on a first come first served basis. The County reserves the right to reject any and all applications, negotiate with applicants, recommend funding in an amount less than requested, conduct site visits, interview the applicant and development team and request additional information. The County also reserves the right to take such efforts as deemed appropriate to assure that Program funds are distributed throughout the County.

Program Guidelines: See the enclosed program guidelines.

Program Procedures: See the enclosed application and program procedures.

Program Questions: For questions or assistance please call Jill Rosen-Nikoloff at (631) 853-

**SUFFOLK COUNTY
WORKFORCE HOUSING PROGRAM
Program Guidelines:**

- Eligible Projects:** The County will acquire vacant land or improved parcels that will be developed or redeveloped for affordable homeownership or rental housing purposes. A preference will be given for projects over ten units and for projects which meet the County's Smart Growth goals.
- Eligible Developers:** The County will consider projects that will be developed by the municipality itself or in connection with a for-profit or non-profit developer. For-profit developers must limit their profits in conformance with the guidelines established by the New York State Affordable Housing Corporation.
- Land Cost Limits:** Suffolk County will consider a number of factors in determining the appropriate purchase price for the land including but not limited to the approved appraised value, zoning and the price per proposed dwelling unit. Such land cost is considered the land development subsidy ("LDS") and must be repaid to the County as set forth below.
- LDS Lien:** Suffolk County will place a lien on the property at closing, which must be paid as detailed below.
- Target Income Limits:** At least 50% of the units must be occupied by families whose income does not exceed 80% of the HUD established median income limits for Suffolk County: The remaining units must be occupied by families whose income does not exceed 120% of the HUD established median income limits for Suffolk County.
- Project Completion:** All projects must be completed within three years of transfer unless the County grants an extension for a period of up to two years. If projects are not completed within this time period, the property will revert to Suffolk County.
- SEQR Review:** The participating municipality will be established as lead agency for SEQR purposes and conduct a coordinated review with all involved agencies and interested parties pursuant to Title 6 NYCRR Part 617.6. All necessary SEQR reviews and final determinations or findings must be completed prior to final transfer of the land parcel from the County to the municipality.

**Homeownership
Purchase Price Limits:**

The maximum unsubsidized price of any home (calculated including all development costs and land value) may not exceed the non-targeted maximum purchase price for Suffolk County established by the State of New York Mortgage Agency ("SONYMA").

In addition, the maximum unsubsidized price of at least 70% of the units must not exceed 80% of the SONYMA established Suffolk County non-targeted purchase price.

**Homeownership
Occupancy Requirement:**

Home ownership units must be owner occupied and remain the principal residence of the owner. If these provisions are violated the LDS will be due and payable.

**Homeownership Land
Development Subsidy:**

The LDS is equal to the land acquisition cost incurred by Suffolk County. The LDS will be allotted on a pro rata basis to each unit in the project. The LDS for each unit must be repaid if such unit is sold or transferred or the occupancy requirements are not met. The LDS will be evidenced by a non-interest bearing deferred lien, which may be subordinated to bank financing or other funding sources, as approved by the County.

**Rental Unit Monthly
Cost Limits:**

Monthly rents must not exceed the then current HUD Fair Market rent for the Nassau/Suffolk PMSA.

**Rental Unit Affordability
Requirement:**

Rental housing developments must remain affordable for the longer of 10 years or until the LDS is repaid.

**Rental Property LDS
Repayment Requirement:**

The LDS is equal to the land acquisition cost incurred by Suffolk County. The LDS must be repaid to the County a) if the occupancy restrictions are not met and b) otherwise pursuant to a mutually agreed to repayment structure. This structure may take the form of a balloon payment with a 15 year maturity, long term ground lease payments, a share in the net or gross operating income or profits or such other structure agreed to by the County.

SUFFOLK COUNTY
WORKFORCE HOUSING PROGRAM
Program Procedures:

I. Pre Application:

- The Director of Affordable Housing will work with municipalities and potential sponsors/developers to identify parcels that are appropriate for development or redevelopment for affordable housing purposes. Landowners must be willing to sell their property; the County does not intend to condemn any parcels for this program. County staff is available to meet with potential applicants to review, on a preliminary basis, any proposed development.

II. Application process and review:

- To receive assistance, the municipality should submit a completed program application. Non-profit or for-profit developers may also submit applications along with a letter of support or Resolution from the local jurisdiction. Proposals should be submitted to:

Jill Rosen-Nikoloff
Director of Affordable Housing
Suffolk County
H. Lee Dennison Building – 2nd Floor
Veterans Memorial Highway, P.O. Box 6100
Hauppauge, New York 11788

- Upon receipt of an application, staff will perform an initial review for completeness and compliance with the Program's guidelines. Staff may meet with the applicant and other principal members of the development team to review the application.
- The County intends its participation to help leverage other assets. Therefore, to be considered, the participating municipality must provide incentives or financial assistance to the project. Examples of participation include but are not limited to: rezoning of land, fast-tracking of the development process, density bonuses, matching funds from federal, state or local resources, waiver of fees, industrial development bonds, and/or property tax relief.
- Once such application is complete, the County will issue a letter stating whether or not the application meets the Program's guidelines and the terms and conditions under which the County will proceed. Such letter is not a commitment, it reflects only the County's willingness to continue to consider such application and the County's conceptual approval of such as preliminarily proposed.

III. Approvals and Documentation: (note the following steps may not take place in this order but must all be complete prior to closing)

- Applicants should finalize their development plan including funding sources, etc., and obtain any necessary municipal level approvals, such as any rezoning and SEQOR review. Applicants should submit evidence of such approvals.

- County staff will prepare a Planning Step resolution detailing the proposed transaction, which will be presented to the Suffolk County Legislature. Such resolution will authorize among other things, the appraisal of such property (if not already completed in a manner satisfactory to the County) and the development of a Land Disposition and Development Agreement governing the terms of such transaction.
- The property must appraise at or above the sale price to be paid by the County.
- The County will begin preparing a Land Disposition and Development Agreement, outlining the terms and conditions of the developer's, the municipality's and the County's involvement.
- The municipality must pass a resolution agreeing to take title to the property subject to the requirements of the Land Disposition and Development Agreement.
- Once the project components are in place, in a manner satisfactory to the County, staff will prepare an authorizing resolution for presentation to the County legislature. Such resolution shall commit the County, subject to any stated conditions, to purchase the applicable site.

IV. Closing:

- The land purchase and subsequent transfer to the applicable municipality shall be scheduled to occur simultaneously.
- At closing, the County will place a lien on the property that may be subordinated to the construction and permanent financing.

**SUFFOLK COUNTY
AFFORDABLE HOUSING OPPORTUNITIES PROGRAM
2005 Program Limits**

Median Income Limits:	<u>Family Size</u>	<u>80% Income Limit</u>	<u>120% Income Limit</u>
	1 person	\$49,750	\$74,600
	2 persons	\$56,850	\$85,300
^^	3 persons	\$63,950	\$95,950
	4 persons	\$71,100	\$106,600
	5 persons	\$76,750	\$115,150
	6 persons	\$84,450	\$123,650

Owner Occupied Cost Limits:	<u>Max price</u>	<u>80% limit</u>
	\$343,790	\$275,160

Monthly Rent Limits:	<u>Fair Market Rent limit</u>
	Studio \$ 901
	1 BR \$1085
	2 BR \$1324
	3 BR \$1843
	4 BR \$1974