

## **Exhibit 3**



Robert P. Astorino  
County Executive

**FUNDING ADVISORY TO MONITOR, NO. 4**

**November 22, 2010**

Proposed Development:	2101-2105 PALMER AVENUE
Eligible Municipality:	VILLAGE OF LARCHMONT
Section/Block/Lot	SECTION 6, BLOCK 1, LOT 486.1, and SECTION 6, BLOCK 2, LOT 494
Local Land Use Approvals:	COMPLETED
Funding Approvals:	IN PROGRESS
Executive Summary:	ATTACHED
Time Frame for Review:	ASAP (This Advisory supplements information provided in a letter dated 11/05/10.)

**DISCUSSION:**

This development consists of two new buildings with ten (10) one-bedroom units and forty one (41) two-bedroom units in the Village of Larchmont. Site plan approval was given when the development was designed to be a market rate home ownership development, and the units are generously sized. Now the development is proposed to be all affordable home ownership units, available to families at or below 80% of AMI and will remain affordable for fifty (50) years. Five (5) units were required to be affordable prior to the execution of the Stipulation, and would not count toward the County's obligation. These five units are discussed in further detail in the County's November 5<sup>th</sup> letter. Forty six (46) of the fifty one (51) units would appear to be eligible under the Stipulation.

The development is in the Mamaroneck School District. The development is in proximity to three schools (Chatsworth Avenue School, Hommocks Middle School, and Mamaroneck High School). It is also proximate to the Village Center with its restaurants and retail stores. The MetroNorth Larchmont train station is less than one mile from the development, and Interstate 95 is also easily accessible. Accordingly, employment opportunities may be found both locally in Larchmont and its neighboring municipalities

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on Long Island Sound, as well as in the Bronx and Manhattan which are easily reached by MetroNorth.

It should be noted that this development is in a Census Block that has been identified by the County as being among those having the lowest concentrations of African Americans and Hispanics. According to the 2000 Census, there were 0% African Americans and 0% Hispanic residents in this block.

In our November 5<sup>th</sup> letter, we also explained that the underwriting negotiation for this project had only recently advanced sufficiently to permit the project's proceeding to the County's Planning Board, where it was approved for recommendation to the County Executive and submission by him to the Board of Legislators. A letter of support has been sent by the County's Planning Department to the NYS Affordable Housing Corporation ("NYS AHC") to permit the project to be considered for state financial assistance. It is hoped that NYS AHC will vote to fund this project at their December 9<sup>th</sup> meeting. As noted in our previous letter, time is of the essence due to the fact that the developer's contract of sale sets a timeframe for closing that requires the governmental funding package to advance expeditiously.

**SUBMITTED BY:**

A handwritten signature in black ink that reads "Kevin Plunkett". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Kevin J. Plunkett, Esq.  
Deputy County Executive

**Executive Summary**  
 2101-2105 Palmer Ave  
 Larchmont, NY 10538



<b>Development:</b>	2101-2105 Palmer Ave Larchmont, NY 10538					
<b>Applicant:</b>	Wilder Balter Partners, Inc 570 Taxter Road Elmsford, NY 10523					
<b>Applicant Contact:</b>	Bill Balter Tele: (914)347-3333 x 220 Fax: 914-909--7328 Cell: E-mail: bbalter@wilderbalter.com					
<b>Type of Project Proposed:</b>	<p>Two new buildings with ten (10) one-bedroom units; forty-one (41) two-bedroom units;</p> <p>The units will be affordable to families at or below 80% AMI and will remain affordable for 50 years.</p> <p>A maximum of 46 units may be eligible under paragraph 7(a) of the Stipulation and Order of Settlement and Dismissal entered into in connection with a lawsuit titled, <i>U.S. ex rel. Anti-Discrimination Center of Metro New York v. Westchester County</i> ("Stipulation")</p> <p>The distribution of funds are estimated as follows:                  The development is in the Mamaroneck School District.</p>					
<b>County Funds Requested</b>	<b>Program</b>		<b>Amount (rounded)</b>	<b>Per AFFH Units (46)</b>		
	FAH for Acquisition		\$2,453,000	\$53,300		
	FAH for Infrastructure		\$3,220,000	\$70,000		
	<b>Total FAH</b>		<b>\$5,673,000</b>	<b>\$123,300</b>		
	NHLA for Acquisition (5 units)		\$267,000			
	HOME for site work (5 units)		\$350,000			
	HOME for construction costs		\$675,000			
	<b>TOTAL (51 units)</b>		<b>\$6,965,000</b>	<b>\$136,568</b>		
<b>Allocation of Funds and Units</b>	<b>units</b>	<b>Land</b>	<b>Infrastructure</b>	<b>FAH</b>	<b>NHLA</b>	<b>HOME</b>
	FAH 7(a)	46	\$2,453,000	\$3,220,000	\$5,673,000	\$924,500
	Local Units	5	\$267,000		\$267,000	\$100,500
	<b>total</b>	<b>51</b>	<b>\$2,720,000</b>	<b>\$3,220,000</b>	<b>\$5,673,000</b>	<b>\$267,000</b>
						<b>\$1,025,000</b>

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<b>Total Funding:</b>	<b>FUNDING SOURCES SUMMARY</b>			Amount	Percent	Per/Affordable Unit
	Sales Revenue plus downpayment		\$10,981,400	55%	\$ 215,322	
	NYS Affordable Housing Corporation		\$ 2,040,000	10%	\$ 40,000	
	FAH Acquisition Funds		\$ 2,453,333	12%	\$ 48,105	
	FAH CDBG		\$ 3,219,997	16%	\$ 63,137	
	HOME (County)		\$ 1,025,000	5%	\$ 20,098	
	New Homes Land Acquisition (NHLA)		\$ 266,667	1%	\$ 5,229	
	<b>Total (1)</b>		<b>\$19,986,397</b>	<b>100%</b>	<b>\$ 391,890</b>	
	<b>Affordable DEVELOPMENT USES SUMMARY</b>					
	Acquisition Costs		\$ 2,720,000	14%	\$ 53,333	
	Hard Costs		\$ 13,050,752	65%	\$ 255,897	
	Soft Costs		\$ 2,046,245	10%	\$ 40,122	
	Developer's Fee		\$ 2,169,400	11%	\$ 42,537	
	Other uses					
<b>Total (2)</b>		<b>\$ 19,986,397</b>	<b>100%</b>	<b>\$ 391,890</b>		

<b>Proposed Rents</b>	Assumptions:	All 51 units are affordable at or below 80% (11.27% Dev Fee)		rate 5.30%	term 30 years			
		<b>Total Uses</b>	<b>\$20,079,200</b>	<b>AMI per family size</b>				
	<b>Number</b>	<b>Configuration</b>	<b>Net Sale Price</b>	<b>Total Sales Income</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
	7	One Bedroom Unit 750-800 SF	\$155,000	\$1,085,000	75%	66%		
	3	One Bedroom Unit 880 SF	\$170,000	\$510,000	79%	69%		
	6	2 BR - (903 - 906 SF)	\$215,000	\$1,290,000		77%	69%	62%
	9	2 BR - (1,002 - 1,022 SF)	\$225,000	\$2,025,000		80%	71%	64%
	11	2 BR - (1,055 - 1,086 SF)	\$229,000	\$2,519,000		77%(40 yr)*	73%	66%
	5	2 BR - (1,196 - 1,217 SF)	\$232,000	\$1,160,000			77%	69%
	7	2 BR - (1,421 - 1,484 SF)	\$238,400	\$1,668,800			79%(75%/40 yrs)	71%
3	2 BR+ Den Unit - (1,590 - 1,637 SF)	\$241,200	\$723,600			82%(77%/40 yrs)	74%	
<b>51</b>	<b>Total Sales Income</b>		<b>\$10,981,400</b>					
*HAC proposes utilizing 40 year mortgages to achieve affordability where needed								

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**Development  
Budget:**

Hard Costs	Total Amount	Total cost per SF	Cost per affordable Unit
Land	\$ 2,720,000	\$ 42	\$ 53,333
<b>Total Acquisition Cost</b>	<b>\$ 2,720,000</b>	<b>\$ 42</b>	<b>\$ 53,333</b>
Site Work (grading, soil removal, topsoil etc.):	\$ 2,092,600	\$ 32	\$ 41,031
Structured Parking	\$ 1,440,000	\$ 22	\$ 28,235
I&I Remediation	\$ 69,000	\$ 1	\$ 1,353
<b>Building Construction:</b>			
New Construction Residential	\$ 7,040,000	\$ 109	\$ 138,039
Contractor Overhead & Profit	\$ 920,688	\$ 14	\$ 18,053
General Requirements	\$ 867,000	\$ 13	\$ 17,000
Construction Contingency	\$ 621,464	\$ 10	\$ 12,186
<b>Total Hard Costs:</b>	<b>\$ 13,050,752</b>	<b>\$ 202</b>	<b>\$ 255,897</b>
<i>Westchester County Affordable Housing Application Workbook</i>			
Soft Costs	Amount	Per Total Bldg SF	Cost per affordable Unit
Bank Commitment Fee	\$ 110,748	\$ 1.72	\$ 2,172
Bank Commitment Fee	\$ 51,000	\$ 0.79	\$ 1,000
Bank Legal	\$ 8,000	\$ 0.12	\$ 157
Bank Appraisal	\$ 10,200	\$ 0.16	\$ 200
Bank Engineer and Environmental	\$ 6,600	\$ 0.10	\$ 129
LC Fee	\$ 33,000	\$ 0.51	\$ 647
Construction Period Interest	\$ 330,000	\$ 5.12	\$ 6,471
Planning, Engineering and Surveying	\$ 76,500	\$ 1.19	\$ 1,500
Architecture	\$ 127,500	\$ 1.98	\$ 2,500
Reimbursement of engineering, planning and study costs	\$ 280,000	\$ 4.34	\$ 5,490
Legal-Closing, Acquisition, Offering Plan, Home closings	\$ 153,000	\$ 2.37	\$ 3,000
Builders Risk Insurance	\$ 51,000	\$ 0.79	\$ 1,000
Sales Commissions, Outreach, Marketing Materials, HAC Fees	\$ 153,000	\$ 2.37	\$ 3,000
Municipal Fees, Building Permit, Impact Fees	\$ 102,000	\$ 1.58	\$ 2,000
Real Estate Taxes	\$ 51,000	\$ 0.79	\$ 1,000
Title Insurance, Mortgage Recording & Fees	\$ 75,000	\$ 1.16	\$ 1,471
Project Coordination Fee	\$ 151,000	\$ 2.34	\$ 2,961
Soft Cost Contingency	\$ 55,201	\$ 0.86	\$ 1,082
	sales/HAC/Marketing	\$ 221,496	\$ 3.44
Other Soft Costs			
<b>24. TOTAL Soft Costs :</b>	<b>\$ 2,046,245</b>	<b>\$ 32</b>	<b>\$ 40,122</b>
<b>Developer's Fee</b>	<b>\$ 2,169,400</b>	<b>\$ 33.65</b>	<b>\$42,537</b>
<b>Total Development Costs : (excluding land)</b>	<b>\$ 17,266,397</b>	<b>\$ 268</b>	<b>\$338,557</b>
<b>Total Development Costs : (including NHLA land)</b>	<b>\$ 19,986,397</b>	<b>\$ 310</b>	<b>\$391,890</b>

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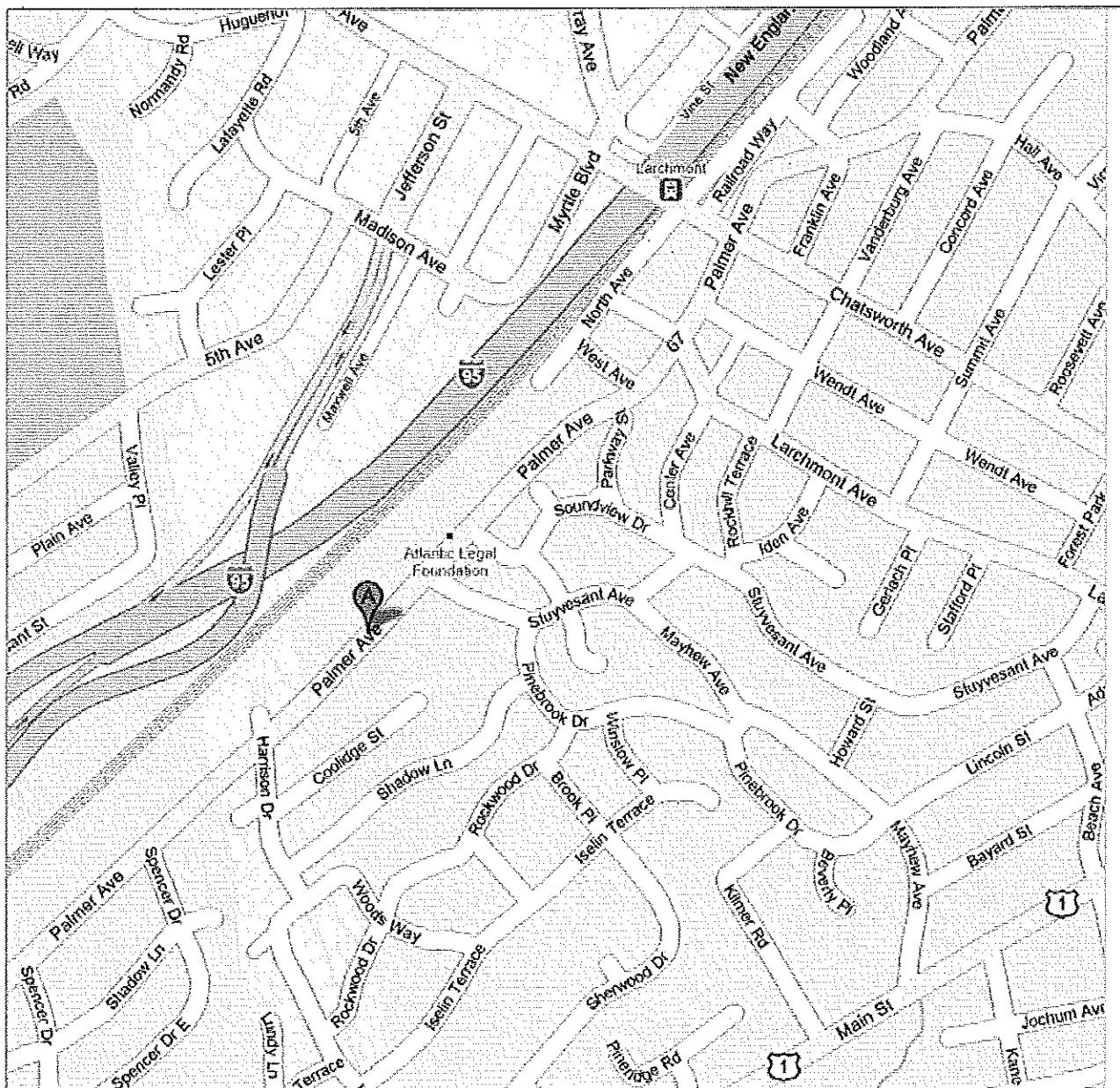
<b>Tax Map ID:</b>	Section:6, Block:1, Lot: 486.1 & Section: 6, Block: 2, Lot: 494
<b>Site Description:</b>	Vacant, 1.52 acres... Mostly paved and partially used for parking moving vans. Some rock clearance will be needed.
<b>Development Details</b>	<p>Average one-bedroom unit size 817 square feet  Average two-bedroom/ two bath unit size 1,119 square feet  Average two-bedroom/ two bath with den unit size 1,621 square feet</p> <ul style="list-style-type: none"> <li>- each floor of both buildings has an extra common room – labeled as treadmill/cross training, card room and computer/library</li> <li>- in proximity to schools in the Mamaroneck School District (Chatsworth Avenue School, Hommocks Middle School, Mamaroneck High School)</li> <li>- proximity to the Village Center, offering restaurants, specialty stores, hair salons, etc</li> <li>- proximity to Manhattan (16.5 mi to midtown), Metro North Larchmont train stop (less than 1 mi), Interstate 95 (less than one mi), Hutchinson River Parkway (4 mi), Westchester County Airport (15 mi) and Laguardia Airport (17 mi)</li> </ul> <p>proximity to local parks – i) Manor Park – along the shoreline of the Long Island Sound (1.7 mi), ii) Flint Park (1.5 mi) and iii) Pine Brook Park (directly across the street from the site – opposite side of Palmer Avenue)</p>
<b>Zoning:</b>	RB – Residential Business
<b>Variance/Zoning Change:</b>	granted
<b>Site Plan Approval:</b>	approved
<b>SEQRA:</b>	Negative declaration issued 7/9/07
<b>Environmental Report(s):</b>	Phase I Issue Date: September 1, 2010 No recognized environmental conditions
<b>Flood Plain:</b>	The property is not in a flood zone
<b>Property Owner:</b>	Collins Brothers Moving Corporation
<b>Site Control:</b>	Contract of sale
<b>Appraised Value:</b>	\$2,720,000
<b>Target Market:</b>	80% of AMI



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Map

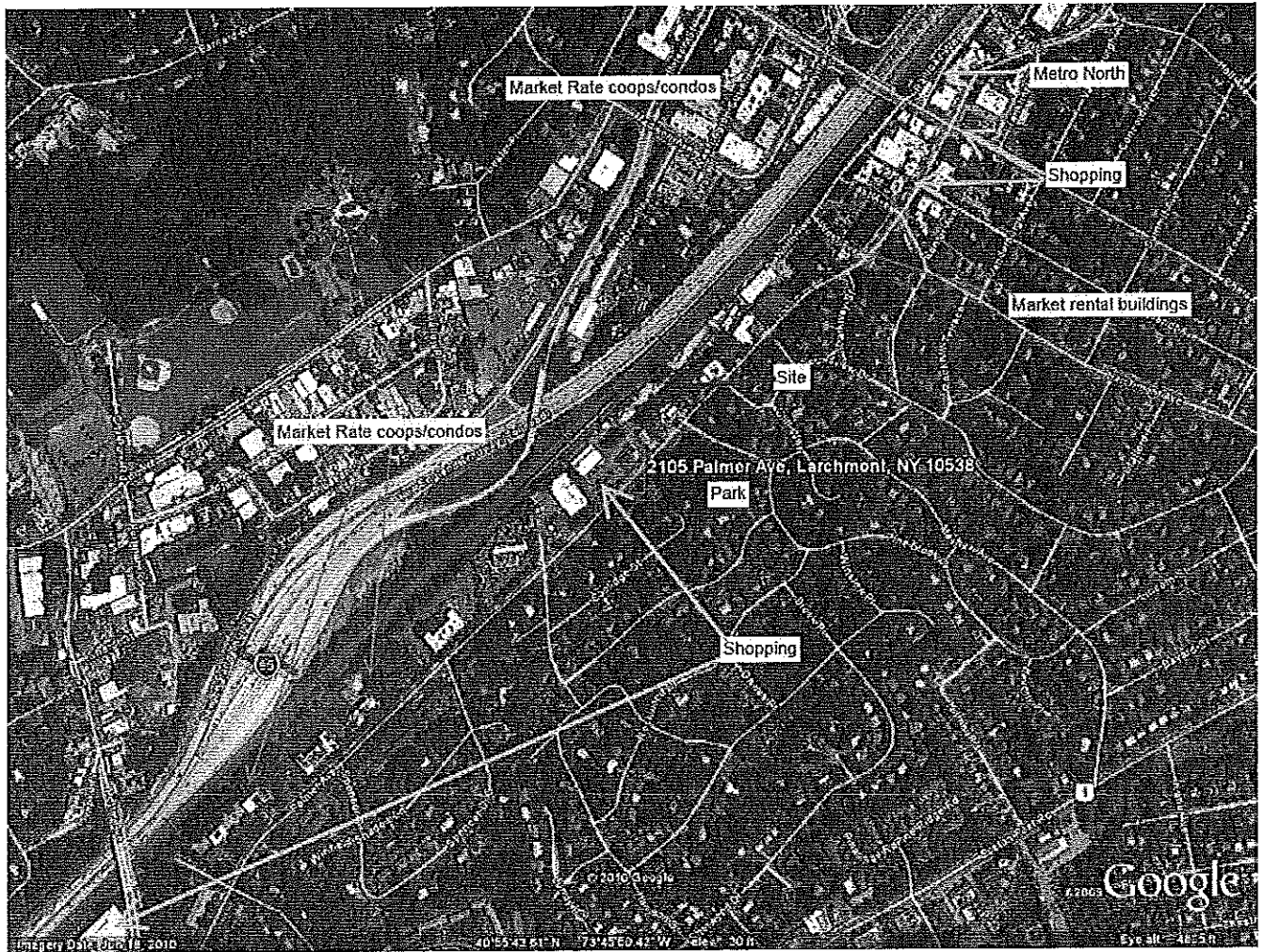




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Area View

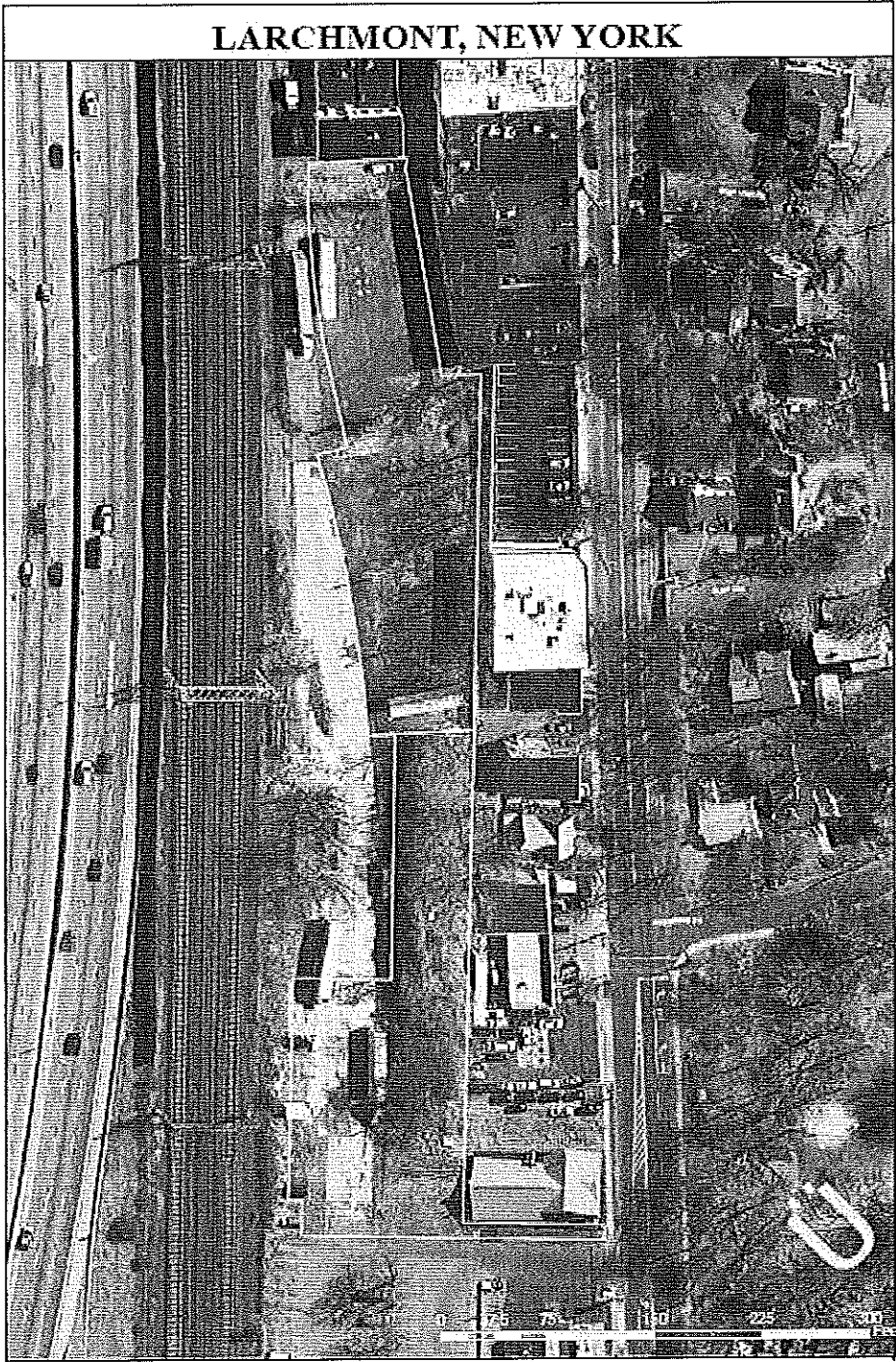




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Site View







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Facing North





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Facing South



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**Elevations**

**PROPOSED FRONT ELEVATION BLDG. #1**  
SCALE: 1/8" = 1'-0"

**PROPOSED REAR ELEVATION BLDG. #1**  
SCALE: 1/8" = 1'-0"

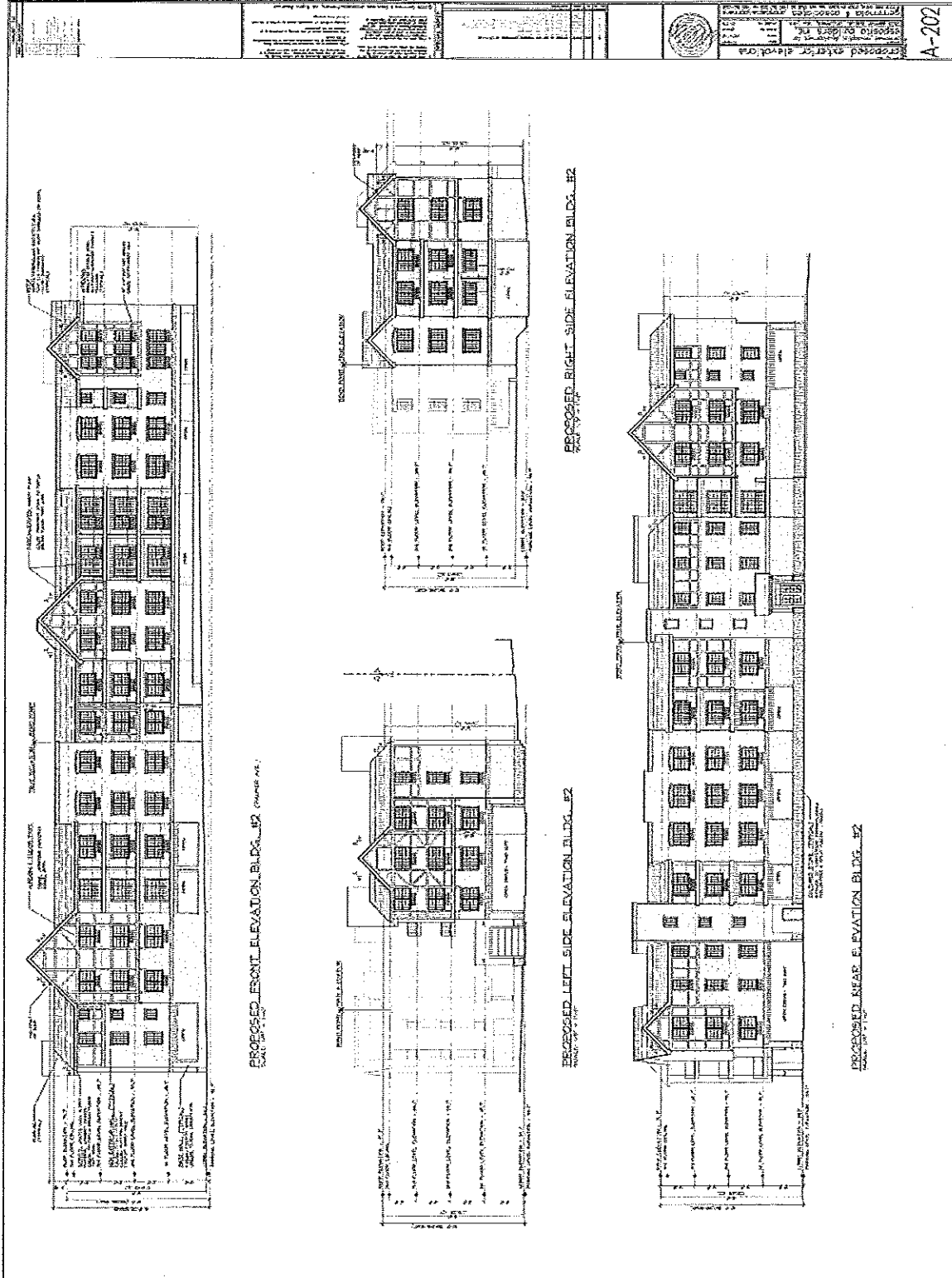
**PROPOSED RIGHT SIDE ELEVATION BLDG. #1**  
SCALE: 1/8" = 1'-0"

**PROPOSED LEFT SIDE ELEVATION BLDG. #1**  
SCALE: 1/8" = 1'-0"

**A-201**



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Robert P. Astorino  
County Executive

Kevin J. Plunkett  
Deputy County Executive

**INQUIRY TO MONITOR, NO. 9**

**February 9, 2011**

PROPOSED DEVELOPMENT: PLEASANTVILLE HDFC, 293 Manville Rd, 1A  
Section 106.6; Block 1; Lot 16; Unit 1001 (Apt. 1A)  
ELIGIBLE MUNICIPALITY: 7 (a) Location  
ISSUE: STIPULATION, Paragraph 7 (h) (ii)

**DISCUSSION:**

We would like to confirm our understanding that acquisition and resale of a two bedroom condominium as described below would comply with the provisions of Paragraph (7)h (ii) of the Stipulation which, in discussing the acquisition of existing housing units, states that “no such units, before acquisition, may be controlled by a deed restriction or other legal measure to be affordable to households with incomes at or below eighty (80) percent of AMI.”

The Pleasantville HFDC, with the assistance of Housing Action Council, has an opportunity to acquire a two bedroom condominium unit at 293 Manville Rd., Apt. 1A, in the Village of Pleasantville. The unit is located in a 7(a) area. The unit would be subsequently sold too a qualified purchaser under the Stipulation thereby adding an additional unit that affirmatively furthers fair housing in Pleasantville.

As background, Pleasantville HDFC originally purchased the unit from the Resolution Trust Corp. on August 3, 1995 with financial assistance from Westchester County. In 1996, Pleasantville HDFC sold the unit to a then eligible purchaser with a household income at or less than 80% of median income. The purchaser executed a Note and Mortgage in favor of the Pleasantville HDFC in the amount of \$49,956. The Note and Mortgage require that if the unit is sold within 20 years of the initial sale, the Purchaser must sell the property to an income eligible family (up to 80% of median). The income threshold to be used for a two bedroom unit is a three person household. The original purchaser is deceased, and Pleasantville HDFC wants to acquire the now vacant unit for resale from the decedent’s estate.

The Pleasantville HDFC wants to keep the unit affordable “forever”, and the unit’s affordability requirements currently expire in 2016. Pleasantville HDFC also wants to expand the band of affordability so the unit would be affordable to households with incomes between 60%--80% of AMI.

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To achieve this, it is willing to explore a transaction along the lines described below, or a variation thereof, wherein the Pleasantville HDFC would borrow approximately \$210,000 from Community Capital Resources ("CCR") for the purpose of purchasing the condominium unit from the decedent's estate and covering the expected expenses of carrying the unit until the affirmative marketing is completed and the eligible purchaser is found. Upon purchase and acquisition of the vacant two bedroom unit by the Pleasantville HDFC, the note and mortgage requiring affordability until 2016 will be satisfied.

Working with Housing Action Council, the Pleasantville HDFC would make an application to have Westchester County buy the property from Pleasantville HDFC for the approximately \$210,000 that Pleasantville HFDC had previously borrowed from CCR to fund the purchase from the decedent's estate and an additional \$2,500 to cover the additional administrative expenses, including the transfer taxes. Westchester County's purchase of the unit would enable Pleasantville HDFC to pay off CCR.

After purchasing the property, Westchester County would record the deed restrictions called for by the Stipulation, which among other things will require that the property remain affordable for 50 years. Westchester County would then sell the property back to the Pleasantville HDFC for \$160,000. In turn, Pleasantville HDFC will sell the property to a qualified purchaser identified through Housing Action Council's outreach and marketing for \$160,000, and the proceeds would be used to repay the County's short term loan of \$160,000. A balance of \$50,000 would not be repaid to Westchester County; instead it would be the County's subsidy to enable resale to purchasers at 65% of AMI.

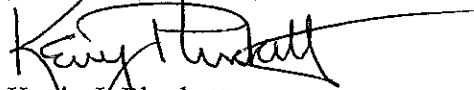
As mentioned above, Housing Action Council would identify qualified prospective purchasers through fair and affordable housing affirmative marketing, as required by the Stipulation.

Notably, at the time the condominium is conveyed to Westchester County, it will be free of any deed restrictions. Accordingly, we believe that this transaction complies with Stipulation Paragraph 7(h) (ii).

We would be most appreciative of this issue receiving immediate review. We understand that Housing Action Council has a limited timeframe in which to conclude its agreement with the Pleasantville HFDC, and capture this unit as one that will affirmatively further fair housing for 50 years in Pleasantville.

We are available to discuss this further or provide additional information as needed.

**SUBMITTED BY:**



Kevin J. Plunkett  
Deputy County Executive