

MEMORANDUM

DATE: September 10, 2002
TO: The Board of Supervisors
FROM: Richard B. Hanson, Housing and Community Development Administrator
SUBJECT: Housing Development Agreement Amendment

Attached is a resolution authorizing the County Administrator to execute an amendment to a 1991 Agreement between the County and Housing Partnerships Inc. (HPI). The 1991 Agreement specified terms for cooperation between the County and HPI to develop an affordable housing subdivision on property donated by Stonehouse Inc., or alternatively on property purchased with funds provided by Stonehouse Inc. In 1996 and 1997 Stonehouse Inc., paid HPI a total of \$187,500 as alternative performance to provide funds for purchase of property for an affordable housing development. In 1999 the County and HPI agreed to designate these funds for purchase of property for development of affordable housing within the Ironbound Square neighborhood.

HPI and County staff agree that it is mutually beneficial to amend the 1991 Development Agreement. The proposed amendment will enable the County to use the \$187,500 to purchase property in accordance with the Ironbound Square Redevelopment Plan adopted by the Board of Supervisors in February 2002. The proposed amendment will also permit HPI to retain the interest earnings on the Stonehouse donation, which exceed \$30,000, to finance its ongoing efforts to promote affordable housing in James City County.

The HPI Board of Directors has approved the amendment.

Staff recommends adoption of the attached resolution.

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Richard B. Hanson

CONCUR:

Anthony Conyers, Jr.

RBH/adw
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Attachments