Annual Report
2018

The Suffolk County Landbank Corporation
H. Lee Dennison Building
100 Veterans Memorial Hwy, 2nd Floor
PO BOX 6100
Hauppauge, NY 11788
631-853-5751
www.suffolkcountylandbank.org

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Board of Directors , Officers & Corporation Staff

Board of Directors & Officers

Hon. Steven Bellone, *Chairperson*

Theresa Ward, *Vice-Chairperson*

Hon. DuWayne Gregory, *Director*

Hon. Thomas Cilmi, *Director*

Cara Longworth, *Director*

Hon. Richard Schaffer, *Director*

Jason Smagin, *Treasurer*

Peter Scully, *Designee for County Executive, Steve Bellone*

Corporation Staff

Colleen Badolato, *Executive Administrative Assistant*

Robert Braun, Esq. *Lead Counsel*

Dorian Dale, *Sustainability Director & Chief Recovery Officer*

Janet Gremli, *Suffolk County Department of Health Liaison*

Justin Hornung, *Community Development Program Analyst*

Mathew Kapell, *Senior Project Manager*

Mikael Kerr, *Project Coordinator*

Sarah Lansdale, *Executive Director/President*

Kimberly Murolo, *Program Intern*

Corporation Outside Counsel - Harris Beach, PLLC

Environmental Outside Counsel - Allen and Desnoyers, LLP

Corporation Accountants - Albrecht, Viggiano, Zureck & Company, PC

Corporation Auditor - Sheehan & Company, CPA, PC

SUFFOLK COUNTY LANDBANK CORPORATION 2018 ANNUAL REPORT

Dated as of March 27, 2019

This report has been prepared in compliance with the Public Authorities Reform Act of 2009. The Suffolk County Landbank Corporation ("SCLBC" or "Corporation") is a non-profit entity authorized under New York State's Land Bank Act (Article 16 of the Not-for-Profit Corporation Law), which passed in 2011. It is not a County agency, but operates in close affiliation with Suffolk County Government via a memorandum of understanding.

Mission Statement and List of Measurements

The mission of the Corporation is to efficiently facilitate the return of distressed and underutilized properties within Suffolk County ("The County") to productive uses consistent with the comprehensive plans of the jurisdictions in which they are located.

To accomplish this mission the SCLBC has listed 7 measureable performance goals which are publicly available and understood by the SCLBC staff.

These Goals Are:

1. Reduce the number tax delinquent and environmentally challenged properties within Suffolk County
2. Return tax delinquent parcels to the tax rolls
3. Execute environmental site assessments of brownfield parcels
4. Transfer tax liens from the County to the SCLBC
5. Market and sell tax-delinquent properties to qualified third party developers
6. Increase the number of parcels remediated and redeveloped by 3rd party developers
7. Rehabilitate and resell foreclosed residential property to residents with incomes at 100% of AMI or below

2018 Operations and Accomplishments
Tax Delinquent Brownfield Program

13 Brownfields marketed in 2018

- 3 Sites Sold
- 3 Sites Pending Sale

- $649,700 generated from tax lien sales
- $80,163 annual taxes generated
- $6,806,993 in back taxes collected since the creation of SCLCBC in 2013, thanks to collaborative efforts of SCLBC, SCHDS and Suffolk County Comptroller

In 2018 SCLBC marketed tax liens on 13 tax-delinquent brownfield sites via RFP and online listing services for sale to developers interested in remediating and redeveloping the sites. online listing sites utilized were, www.loopnet.com, www.oppsites.com and www.brownfieldlistings.com. Additional marketing was also done through flyers and lien-sale notification letters sent to adjacent property owners.

Additionally, the SCLBC coordinated with the NYS DEC Oil Spill Fund to facilitate the remediation of the property located at 156 Grant Ave. Central Islip. The remediation activity included removing an estimated 170 cubic yards of soil material impacted by petroleum and automotive debris.

2018 Operations and Accomplishments
Tax Delinquent Brownfield Program

Newsday

Officials: Shuttered power plant sold, to be tax producer

Despite being closed and the company in bankruptcy, the site has remained on the county tax rolls for 23 years, with tax liens totaling about $6.5 million.

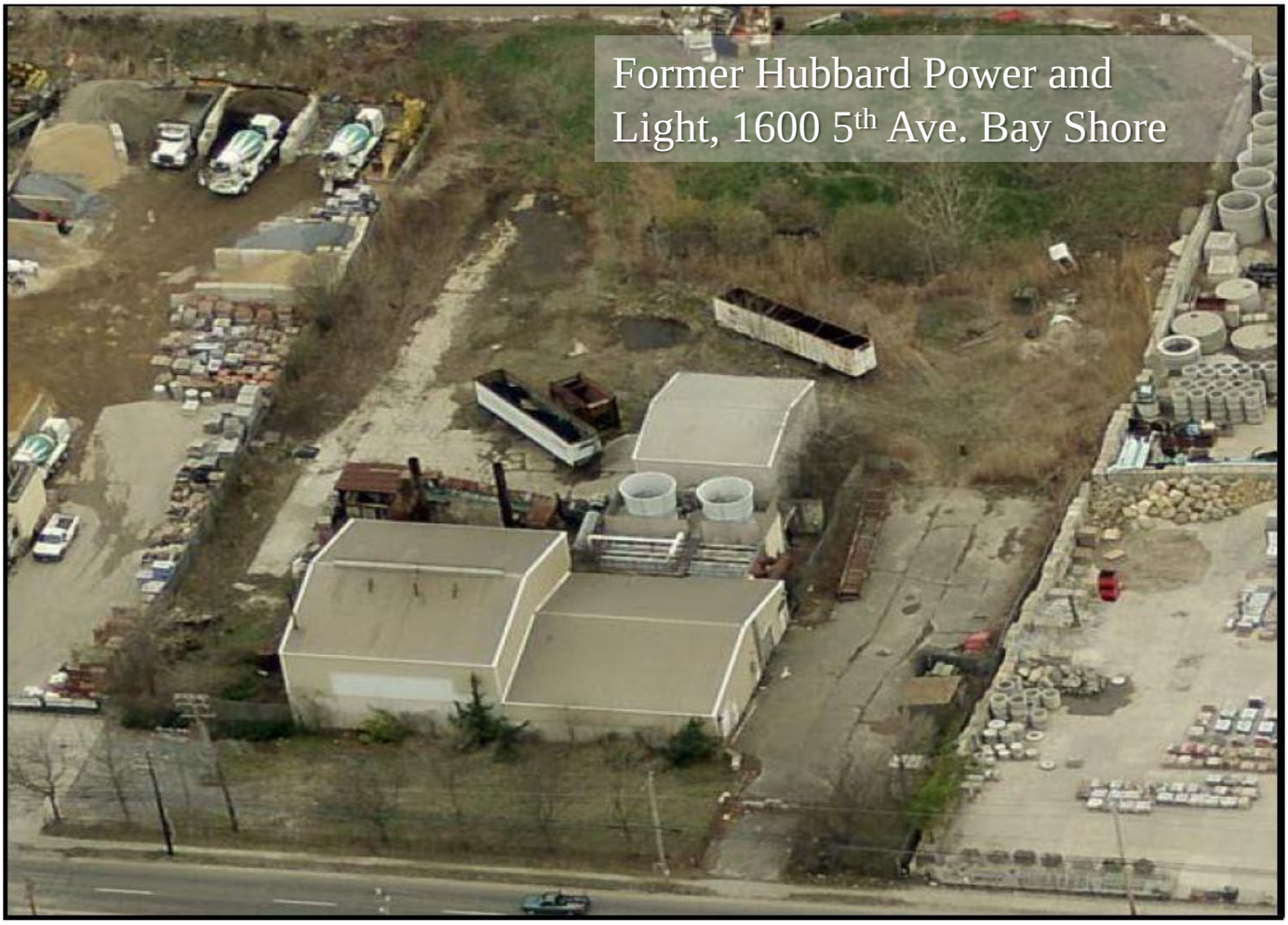
Vincent Trapani, a Bay Shore businessman who formerly owned car-parts maker USA Industries in the town, paid $343,000 for the 1.8-acre property. Trapani is in a position to grieve the taxes, which stand at $344,749 a year including interest and penalties, county officials said.

Trapani is in the process of rehabilitating the site, including a 6,000-square-foot building that houses the old power generator for use as a truck overhaul facility, he said.

"My goal is to see what we can do about cleaning it up and creating jobs," Trapani said.

SUFFOLK COUNTY LANDBANK CORPORATION Est. 2013

Tax-Delinquent Brownfield Project Spotlight



Quick Facts:	**Zoning:** Industrial 1
Total Acres: 1.84	**Est Annual Taxes:** $289,000
Tax Liens: $6,500,000	**Legislative District:** 16th Berland
Years Delinquent: 21	**Sale Price:** $343,000
Estimated Cleanup Cost: $310,000	**Proposed End Use:** Property will be remediated to industrial standards and be redeveloped for light industrial use.

Tax-Delinquent Brownfield Project Spotlight

Quick Facts:	**Zoning:** Commercial
Total Acres: 0.38	**Est. Annual Taxes:** $31,677
Tax Liens: $205,611	**Legislative District:** 8th Lindsay
Years Delinquent:8	**Sale Price:** $256,700
Estimated Cleanup Cost: $20,000	**Proposed End Use:** Collision Auto Body Shop

Tax-Delinquent Brownfield Project Spotlight

Quick Facts:	**Zoning:** Industrial
Total Acres: 0.33	**2016 Taxes:** **$**32,163
Tax Liens: $ 439,552	**Legislative District:** 15th Gregory
Years Delinquent: 14	**Sale Price:** $50,000
Estimated Cleanup Cost: $358,000	**Proposed End Use:** Industrial Tenant Space

2018 Operations and Accomplishments
Tax Delinquent Brownfield Program

- 2018 Environmental Site Assessments and Due Diligence

    - Performed 14 Phase I environmental site assessments on tax-delinquent brownfield sites.
    - Performed 8 Phase II remedial investigations on tax-delinquent brownfield properties in collaboration with the Suffolk County Department of Health Services ("SCDHS").
    - Obtained 2 appraisals on tax-delinquent brownfield sites for marketing purposes.
    - Coordinated with SCDHS to obtain administrative warrants authorizing the SCDHS and environmental consulting firms to access sites and perform phase I & II investigations.
    - Phase I and Phase II assessments have proven to be a critical component of the SCLBC's Brownfield Program. Providing environmental assessments helps the SCLBC and developer negotiate a fair price and requites mission objective of remediating environmentally contaminated properties and putting them back on the tax roll.

The SCLBC continues to leverage the historic agreement with New York State Department of Environmental Conservation ("NYSDEC"), New York State Oil Spill Fund, and Suffolk County:

- By sharing information amongst the respective entities to facilitate the sale of tax-delinquent brownfield properties in Suffolk.
- By affording liability protection for the County and SCLBC.
- For the benefit of prospective buyers, releasing historical costs associated with NYS DEC or NYS Oil Spill Fund cleanup actions incurred prior to the transfer of the sites.

The SCLBC moved thirteen tax-delinquent brownfield sites to market for re-use, utilizing Environmental Assessment Data in collaboration with SCDHS and NYSDEC. 'New Tax Lien' marketing RFP was released including properties unsold from the previous RFP. Of those sites, three have been sold to developers and 3 are currently in contract negotiations.

SCLBC continued to coordinate with the Suffolk County Comptroller's Tax Lien Unit resulting in further collection of back taxes from property owners.

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2018 Operations and Accomplishments
ARBOR Program

ARBOR

Acquire and Renovate Bank Owned Residences

Reclaiming Blight to Plant the Seeds of Affordable Home Ownership in Suffolk County

With funding from the New York Attorney General's Community Revitalization Initiative Grant, managed by Enterprise Community Partners, the Suffolk County Landbank Corporation was able to accomplish the following goals:

13 Properties Acquired Throughout Suffolk County

5 Homes sold to first time Homebuyers as affordable housing

1 Home donated to the Town of Brookhaven for Wetlands Restoration

2 Homes donated to Habitat Of Humanity

$604,310
Spent Acquiring Homes

$675,286
Invested in Property Improvements

SUFFOLK COUNTY LANDBANK CORPORATION Est. 2013

Arbor Project Spotlight

- In 2018, the SCLBC and Habitat for Humanity of Suffolk celebrated the completion of a joint project at Key Giving Ceremony

Habitat for Humanity® of Suffolk

"Most importantly as a dedicated mother who lives to provide the best for my children, I am excited to finally have a place that my children can call home, forever."

Arbor Project Spotlight

- In 2018, Suffolk County Landbank in partnership with United Way of Long Island, hosted the first Andre Bermudez build day to honor the legacy of Andre Bermudez. Friends, family, staff and neighbors volunteered their time to help build an affordable, zero-energy home for a first time homebuyer.

495 Ralph Ave. Central Islip

Before

After

59 Pace Ave. North Bellport

Before

After

Real Property Owned or Disposed by the Corporation in 2018

The Corporation acquired the following 13 properties in 2018

	Address	Purchase Price	Assessed Value	Transferor
1	44 South 25th St. Wyandanch	$1.00	$155,000	Mr. Cooper, LLC
2	205 New Ave. Wyandanch	$50,704	$85,000	Suffolk County
3	106 Irving Ave. Wyandanch	$46,136	$65,000	Suffolk County
4	North 26th St. Wyandanch (Lot)	$0.00	N/A	Suffolk County
5	30th St. & Jamaica Ave. Wyandanch	$0.00	N/A	Suffolk County
6	54 Nicolls Rd. Wyandanch	$97,139	100,000	Federal National Mortgage Association
7	60 Mill Dr. Mastic Beach	$85,000	$85,000	Federal National Mortgage Association
8	114 Longfellow Dr. Mastic Beach	$1.00	$100,000	The Bank of New York Mellon
9	38 Magnolia Dr. Mastic Beach	$1.00	$20,000	Community Restoration Corporation
10	227 Calebs Path Central Islip	$58,639	$90,000	Federal National Mortgage Association
11	55 East Locust Ave. Central Islip	$20,000	$120,000	Community Restoration Corporation
12	59 Pace Ave. Bellport	$115,000	$180,000	Federal National Mortgage Association
13	5 Sunburst Ln. Bellport	$110,000	$325,000	Federal National Mortgage Association

Real Property Disposed by the Corporation in 2018

The Corporation disposed of the following eight properties in 2018

	Address	Sale Price	Estimated Fair Market Value	Date Disposed	Transferee	Conditions/ Restrictions
1	44 Magnolia St. Central Islip	$245,000	$245,000	2/23/2018	Danielle O'Neal	Deed Restriction
2	50 Magnolia St. Central Islip	$249,000	$250,000	6/22/2018	Farah G. Raja, Nadeem Khan & Mevish G. Raja	Deed Restriction
3	495 Ralph Ave. Central Islip	$310,000	$315,000	11/5/2018		Deed Restriction
4	9 Ditmas Ave. Mastic	$0.00	$35,000	5/4/2018	Habitat for Humanity	Deed Restriction
5	38 Magnolia Dr. Mastic Beach	$0.00	$20,000	10/26/2018	Town of Brookhaven	Wetlands Restoration
6	507 Donegan Ave. East Patchogue	$0.00	$70,000	5/4/2018	Habitat for Humanity	Deed Restriction
7	725 Scherger Ave. East Patchogue	$180,000	$190,000	6/19/2018	Valerie Bellevue	Deed Restriction
8	604 Doane Ave. North Bellport	$175,000	$175,000	6/25/2018	Rebecca K. Webb	Deed Restriction

Real Property Owned or Disposed by the Corporation in 2018

At the close of the fiscal year, thirteen properties were held in inventory with the following status

	Location	Status
1	44 South 25th St. Wyandanch	Under Construction
2	205 New Ave. Wyandanch	Under Construction
3	106 Irving Ave. Wyandanch	Under Construction
4	North 26th St. Wyandanch (Lot)	Transferred to Habitat for Humanity 2019 Q1
5	30th St. & Jamaica Ave. Wyandanch	Pending Transfer to United Way of Long Island
6	54 Nicolls Rd. Wyandanch	Under Construction
7	60 Mill Dr. Mastic Beach	Under Construction
8	114 Longfellow Dr. Mastic Beach	Under Construction
9	41 Arrowhead, Shirley	Pre-Construction
10	227 Calebs Path Central Islip	Transferred to Habitat for Humanity 2019 Q1
11	55 East Locust Ave. Central Islip	Under Construction
12	5 Sunburst Ln. Bellport	Complete, Sale Pending
13	23 Furman Ave. East Patchogue	Under Construction

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Grants

- In 2018, The SCLBC was awarded $1,300,000 to aid in addressing tax-delinquent brownfields and “zombie” houses throughout Suffolk County. These funds from the New York State Office of the Attorney General’s Community Revitalization Initiative Round 4, will be distributed and managed by Enterprise Community Partners

2018 Financial Activity

Condensed Statement of Net Position
Governmental Activities

	December 31, 2018
Assets	
Current and other assets	$ 2,684,876
Total Assets	2,684,876
Liabilities	
Current liabilities	323,060
Total Liabilities	323,060
Net Position	
Restricted	438,900
Unrestricted	1,922,916
Total Net Position	$ 2,361,816

Condensed Statement of Activities
Governmental Activities

	Year ended December 31, 2018
Revenues	
Program Revenues	
Charges for services	$ 559,648
Operating grants and contributions	719,778
Total Program Revenues	1,279,426
General Revenues	
Interest on investments	29,452
Total General Revenues	29,452
Total Revenues	1,308,878
Expenses	
Home and community services	428,151
Total Expenses	428,151
Change in Net Position Before Transfers	880,727
Transfers	(496,871)
Change in Net Position	383,856
Net Position at Beginning of Year	1,977,960
Net Position at End of Year	$ 2,361,816

Assessment of the Effectiveness of Internal Control Structure and Procedures

This statement certifies that the Suffolk County Landbank Corporation followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2018. To the extent that deficiencies were identified, the Corporation has developed corrective action plans to reduce any corresponding risk. There were no material changes to the Corporation's internal control structure in FY2018.

Assessment of the Effectiveness of Internal Control Structure and Procedures

Bonds of the Corporation

- The Corporation has no bonds

Compensation Schedule

- The Corporation is staffed by Suffolk County Employees via a Memorandum of Understanding agreement between the Corporation and Suffolk County.

Projects Undertaken by the Corporation During 2018

- As highlighted in the 2018 Operations and Accomplishments, the Corporation engaged in several projects in the execution of its mission to efficiently facilitate the return of distressed and underutilized properties within Suffolk County to productive uses consistent with the comprehensive plans of the jurisdiction in which they are located. These projects focused on addressing tax-delinquent brownfield properties and “zombie” properties

Description of Pending Litigation

- The Corporation was not involved as a party to any litigation in fiscal year 2018.

Description of the total amount of assets, services, or both assets and services bought or sold without competitive bidding in 2018

- In 2018, the SCLBC purchased real property via negotiations, which is highlighted in the ARBOR Program section
- In 2018, $255,099.29 was paid to Suffolk County to reimburse the County for staffing costs incurred as per the Memorandum of Understanding between the Landbank and Suffolk County.
- In 2018, $241,771.50 was paid to Suffolk County for brownfield tax lien sales as per the Memorandum of Understanding between the Landbank and Suffolk County

Certificate of the Chief Executive Officer and the Chief Financial Officer of Suffolk County Landbank Corporation

The undersigned chief executive officer and chief financial officer of Suffolk County Landbank Corporation, a land bank organized pursuant to Section 1600 of the Not-For-Profit Corporation Law of the State of New York, hereby certify, pursuant to subdivision 3 of Section 2800 of the Public Authorities Law, as follows:

The financial information provided within the Annual Report of the Suffolk County Landbank Corporation (the "Corporation"), dated as of March 27, 2019 (the "Annual Report"), is based upon current financial information and to the best of our knowledge, is accurate, correct and does not contain any untrue statement of material fact. The Annual Report does not omit any material fact which, if omitted, would cause the financial statements to be misleading in the light of the circumstances under which the report and any such statements made therein are made. The Annual Report fairly represents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in said report. IN WITNESS WHEREOF, the undersigned chief executive officer and chief financial officer have executed this Certificate as of this 27th day of March, 2019.

Theresa Ward — 3/29/19

Vice Chair/CEO
Theresa Ward

Date

Sarah Lansdale — 3/29/19

President/ Executive Director
Sarah Lansdale

Date

3/29/19

Treasurer/CFO
Jason Smagin

Date