



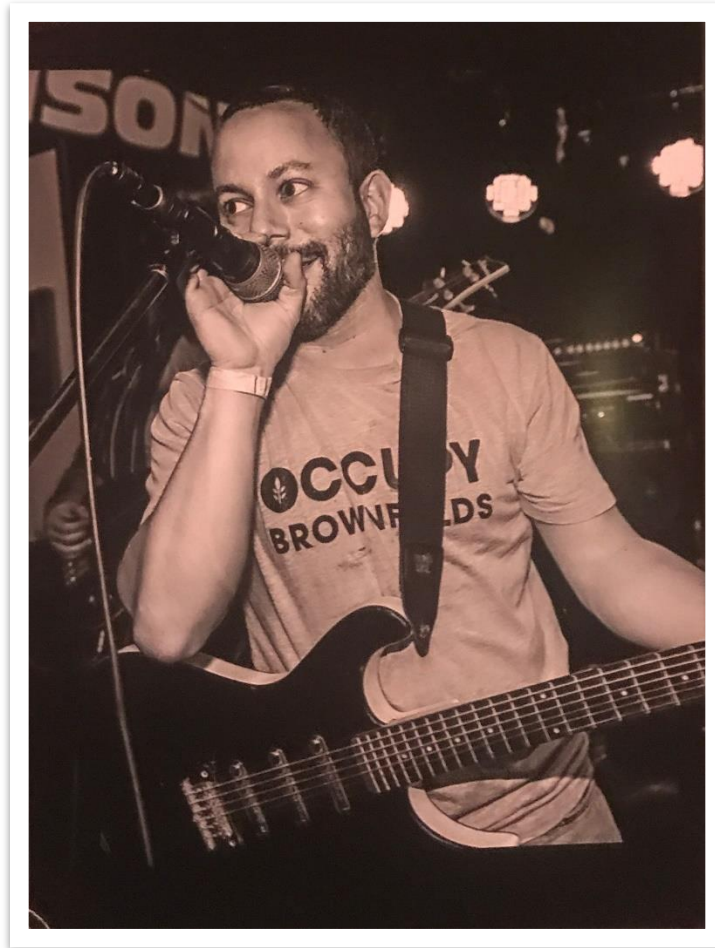
## Annual Report 2017

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Andre Bermudez



We dedicate this Annual Report to our colleague Andre Bermudez, who passed away tragically in December 2017. Andre was a rising star who was instrumental in the revitalization and economic development of communities across Suffolk County. Andre was the utmost professional, someone who transformed the mission of the Suffolk County Landbank Corporation into reality and, most of all, understood the importance of helping others in need. He is sorely missed and will never be forgotten.



# Board of Directors , Officers & Corporation Staff

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## Board of Directors & Officers

Hon. Steven Bellone, *Chairperson*

Peter Scully, *County Executive Designee*

Theresa Ward, *Vice-Chairperson*

Hon. DuWayne Gregory, *Director*

Hon. Thomas Cilmi, *Director*

Cara Longworth, *Director*

Hon. Richard Schaffer, *Director*

Jason Smagin, *Director/Treasurer*

## Corporation Staff

Colleen Badolato, *Executive Administrative Assistant*

Andre Bermudez, *Senior Project Manager*

Robert Braun, *Esq. Lead Counsel*

Janet Gremli, *Suffolk County Department of Health Liaison*

Justin Hornung, *Community Development Program Analyst*

Mathew Kapell, *Senior Project Manager*

Mikael Kerr, *AmeriCorps Community Assessment Coordinator*

Sarah Lansdale, *Executive Director/President*

Michael Maraviglia, *Environmental Analyst*

Rosemarie Pforr, *Community Development Program Analyst*

Deal Artist – Dorian Dale

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 2017 ANNUAL REPORT

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## **SUFFOLK COUNTY LANDBANK CORPORATION 2017 ANNUAL REPORT**

*Dated as of March 30, 2018*

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.



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



# 2017 Operations and Accomplishments

## Tax Delinquent Brownfield Program

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15 Brownfields  
marketed in 2017

- 
- 4 Sites Sold
  - 4 Sites Pending Sale
- 
- \$1,113,000 generated from tax lien sales
  - \$383,581 annual taxes generated
  - \$5.5 Million in back taxes collected since the creation of SCLCBC in 2013, thanks to collaborative efforts of SCLBC, SCDHS and Suffolk County Comptroller

In 2017 SCLBC marketed tax liens on eight tax-delinquent brownfield sites via RFP for sale to developers interested in remediating and re-using/redeveloping the sites. Seven additional sites were marketed through online listing sites, [www.loopnet.com](http://www.loopnet.com), [www.oppsites.com](http://www.oppsites.com) and [www.brownfieldlistings.com](http://www.brownfieldlistings.com). Additional marketing was also done through flyers and lien-sale notification letters sent to adjacent property owners.





# 2017 Operations and Accomplishments

## Tax Delinquent Brownfield Program

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### Tax-Delinquent Brownfield Project Spotlight



Former Hubbard Power and Light, 1600 5<sup>th</sup> Ave. Bay Shore

<b>Quick Facts:</b>	<b>Zoning:</b> Industrial 1
<b>Total Acres:</b> 1.84	<b>2016 Taxes:</b> \$289,000
<b>Tax Liens:</b> \$6,500,000	<b>Legislative District:</b> 16 <sup>th</sup> Berland
<b>Years Delinquent:</b> 21	<b>Sale Price:</b> \$343,000
<b>Estimated Cleanup Cost:</b> \$310,000	<b>Proposed End Use:</b> Property will be remediated to industrial standards and redeveloped for light industrial use.





# 2017 Operations and Accomplishments

## Tax Delinquent Brownfield Program

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### Tax-Delinquent Brownfield Project Spotlight



<b>Quick Facts:</b>	<b>Zoning:</b> E-Business
<b>Total Acres:</b> 0.49	<b>2016 Taxes:</b> \$29,687
<b>Tax Liens:</b> \$844,133	<b>Legislative District:</b> 14th McCaffrey
<b>Years Delinquent:</b> 25	<b>Sale Price:</b> \$120,000
<b>Estimated Cleanup Cost:</b> \$250,000	<b>Proposed End Use:</b> New retail development with national chain tenant



# 2017 Operations and Accomplishments

## Tax Delinquent Brownfield Program

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### Tax-Delinquent Brownfield Project Spotlight



<b>Quick Facts:</b>	<b>Zoning:</b> Industrial - 1
<b>Total Acres:</b> 4.24	<b>2016 Taxes:</b> 34,775
<b>Tax Liens:</b> \$ 1,400,000	<b>Legislative District:</b> 9 <sup>th</sup> Martinez
<b>Years Delinquent:</b> 19	<b>Sale Price:</b> \$500,000
<b>Estimated Cleanup Cost:</b> \$825,000	<b>Proposed End Use:</b> Retail and office space



# 2017 Operations and Accomplishments

## Tax Delinquent Brownfield Program

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Throughout 2017 SCLBC continued to coordinate with the Suffolk County Comptroller's Tax Lien Unit (formerly under the Suffolk County Treasurer) resulting in further collection of back taxes from property owners. Tax Liens on two additional delinquent brownfield parcels were entered into payment plans in 2017.

- Environmental Site Assessments

- Performed 3 Phase I environmental site assessments on tax-delinquent brownfield sites.
- Performed 12 Phase II remedial investigations on tax-delinquent brownfield properties in close collaboration with the Suffolk County Department of Health Services ("SCDHS").
- Conducted 18 appraisals on tax-delinquent brownfield sites
- Coordinated with SCDHS to obtain administrative warrants authorizing the SCDHS and environmental consulting firms to access sites and perform Phase I and II investigations.
- These Phase I and Phase II assessments have proven to be a critical component of the SCLBC's Brownfield Program. Providing the initial environmental due diligence helps the SCLBC and developer negotiate a fair price and allows for the SCLBC to achieve its mission of protecting Long Islands sole source aquifer. In addition, conducting these assessments with the SCDHS has been a driving factor in many properties coming back into beneficial use.

SCLBC continued to participate in the historic agreement with New York State Department of Environmental Conservation ("NYSDEC"), New York State Oil Spill Fund, and Suffolk County. The agreement addresses the following on all tax-delinquent brownfield properties in Suffolk County:

- Information sharing and cooperation amongst the entities to facilitate the sale of tax-delinquent brownfield properties
- Liability protection for Suffolk County and the SCLBC. in advancing the SCLBC's mission
- Release to prospective buyers of past costs associated with NYSDEC or NYS Oil Spill Fund cleanup actions incurred prior to the transfer of the sites

Prioritized seven tax-delinquent brownfield sites to market for re-use, utilizing Environmental Assessment Data and via collaboration with SCDHS and NYSDEC. New Tax Lien marketing RFP was released Spring 2017, which included properties unsold from the previous RFP as well as six additional properties. Of those 8 sites, 3 have been sold to developers, 3 are currently in contract negotiations and 2 are being remarketed in the upcoming Spring 2018 RFP.





# 2017 Operations and Accomplishments

## ARBOR Program

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Acquire and Renovate Bank Owned Residences

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

**10** Properties  
Acquired Throughout  
Suffolk County

---

**\$671,894**

Spent Acquiring Homes

**\$964,289**

Invested in Property  
Improvements

With funding from the New York Attorney General's Community Revitalization Initiative, the Suffolk County Landbank Corporation was able to achieve its 2017 goals to acquire, rehabilitate and market 10 residential properties in the highest foreclosure zones in Suffolk County.



### Arbor Project Spotlight

- In 2017, one structurally unsound zombie property was acquired by the SCLBC, which had partnered with United Way of Long Island for a new zero energy home. The house was subsequently demolished and permitted for new construction.



### ZOMBIE HOME IN E. PATCHOGUE TO BE REMODELED, SOLD FOR AFFORDABLE HOUSING

Share this:



County Executive Steve Bellone | United Way Zombie Home Demolition



Another zombie home on the South Shore is being demolished and rebuilt thanks to a Suffolk County housing program called Acquire and Renovate Bank Owned Residences.

The latest blighted house had sat vacant at 23 Furman Avenue, just north of South Country Road, in East Patchogue for 10 years. It was destroyed on Dec. 20.

Over the next year, the property will be remodeled into an energy-efficient home, which will then be sold as affordable housing for qualified first-time homebuyers with an income of 80 percent or under the area's median.



# 2017 Operations and Accomplishments

## ARBOR Program

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### Arbor Project Spotlight

**725 Scherger Ave. E. Patchogue (In Contract)**

Before



After



# 2017 Operations and Accomplishments

## ARBOR Program

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### Arbor Project Spotlight

**604 Doane Ave. N. Bellport, NY (In Contract)**

Before



After





# 2017 Operations and Accomplishments

## ARBOR Program

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### Arbor Project Spotlight

**104 Mastic Blvd. Mastic, NY (Transferred to Habitat for Humanity, Construction Completed 2017)**

Before



After



# Real Property Owned or Disposed by the Corporation in 2017

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As of December 31<sup>st</sup> 2017, 3 of the 10 properties purchased by SCLBC had been donated to community partners, 4 were in contract to 80% AMI buyers, 1 was being marketed, 1 is pending donation and 1 is currently under construction as a zero-energy home.

The Corporation acquired the following properties in 2017.

Address	Purchase Price	Assessed Value	Seller
9 Ditmas, Mastic	\$1.00	\$35,000	Community Restoration Corporation
507 Donnegan Ave. East Patchogue	\$25,000	\$75,000	Fannie Mae AKA Federal National Mortgage Association
44 Magnolia St, Central Islip	\$137,977	\$165,000	Fannie Mae AKA Federal National Mortgage Association
50 Magnolia St, Central Islip	\$98,064	\$120,000	Fannie Mae AKA Federal National Mortgage Association
495 Ralph Ave, Central Islip	\$123,120	\$150,000	CitiMortgage, INC.
725 Scherger Ave, East Patchogue	\$83,415	\$105,000	Fannie Mae AKA Federal National Mortgage Association
604 Doane Ave. North Bellport	\$50,686	\$67,000	Fannie Mae AKA Federal National Mortgage Association
23 Furman Ave, East Patchogue	\$75,000	\$135,000	Fannie Mae AKA Federal National Mortgage Association
41 Arrowhead, Shirley	\$1.00	\$23,000	Community Restoration Corporation
54 Adams Rd. Central Islip	\$1.00	\$100,000	Community Restoration Corporation



# Real Property Owned or Disposed by the Corporation in 2017

The Corporation disposed of the following properties in 2017.

Address	Sale Price	Purchase Price	Date Disposed	Transferee	Conditions/Restrictions
4 Sinclair St. Mastic	\$160,000	\$65,560	1/30/2017	Moustafa Zada	Deed Restriction
6 Lawrence Rd. Sound Beach	\$200,000	\$109,314	2/21/2017	Thomas Carey & Katey Carey	Deed Restriction
495 Pinelawn Rd, Copiague	\$299,990	\$185,234	3/31/2017	Steven Rosa	Deed Restriction
19 West William St, Bay Shore	194,000	\$132,000	8/17/2017	Muhammad J. Miah	Deed Restriction

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

Location	Status
495 Ralph Ave, Central Islip	Being marketed for resale
44 Magnolia St. Central Islip	In contract to sell to income qualified homebuyer Restricted at 80% AMI affordability
50 Magnolia St. Central Islip	In contract to sell to income qualified homebuyer Restricted at 80% AMI affordability
725 Scherger Ave. Bellport	In contract to sell to income qualified homebuyer Restricted at 120% AMI affordability
604 Doane Ave. Bellport	In contract to sell to income qualified homebuyer Restricted at 80% AMI affordability
507 Donegan Ave. E. Patchogue	Pending transfer to Habitat for Humanity
54 Adams Rd. Central Islip	Partnered with United Way, currently in permitting stage.
41 Arrowhead Dr. Shirley	Partnered with United Way, currently in permitting stage
9 Ditmas Ave. Mastic	Transferring to Habitat For Humanity



- The SCLBC applied for and was awarded funds via the New York State Office of the Attorney General's Community Revitalization Initiative Round 3, in the amount of \$1.23 million to aid the SCLBC in addressing tax-delinquent brownfields and "zombie" houses in Suffolk County through 2018.
- The SCLBC applied for and was awarded funds to pay for an AmeriCorps member to serve on the SCLBC's staff for 10 months beginning November 2017.
- The SCLBC applied for and was granted a 90 day extension relating to the deliverables of the New York Main Street Technical Assistance Program grant. This grant provides reimbursement of up to \$20,000 for Phase II assessments conducted in Riverhead, NY. The extension was requested due to delays in obtaining warrants needed to access the properties.





Condensed Statement of Net Position  
Governmental Activities  
As of December 31, 2017

	2017
<b>Assets</b>	
Current and other assets	\$ 2,102,160
Total Assets	2,102,160
<b>Liabilities</b>	
Current liabilities	124,200
Total Liabilities	124,200
<b>Net Position</b>	
Restricted	437,223
Unrestricted	1,540,737
Total Net Position	\$ 1,977,960

Condensed Statement of Activities  
Governmental Activities

	Year ended December 31, 2017
<b>Revenues</b>	
<b>Program Revenues</b>	
Charges for services	\$ 437,223
Operating grants and contributions	962,798
Total Program Revenues	1,400,021
<b>General Revenues</b>	
Interest on investments	1,167
Total General Revenues	1,167
Total Revenues	1,401,188
<b>Expenses</b>	
Home and community services	537,450
Total Expenses	537,450
Increase in Net Position	863,738
<b>Net Position at Beginning of Year</b>	1,114,222
Net Position at End of Year	\$ 1,977,960



# 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, 2017. To the extent that deficiencies were identified, the authority has developed corrective action plans to reduce any corresponding risk. There were no material changes to the Corporation's internal control structure in FY2017.



## 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. One AmeriCorps Program member was added to the staff beginning December 2016 and completed his service in September 2017. Another AmeriCorps Program member was added to the staff beginning November 2017. This temporary position is entirely funded via a grant received by the non-profit, Local Initiatives Support Corporation (LISC).

## Projects Undertaken by the Corporation During 2017

- As highlighted in the 2017 Operations and Accomplishments, the Corporation engaged in several projects in the execution of its mission to 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 2017

## Description of the total amount of assets, services, or both assets and services bought or sold without competitive bidding in 2017

- In 2017, the SCLBC purchased real property via negotiations, which is highlighted in the ARBOR Program section
- Additionally, \$28,738.00 was paid to Suffolk County to reimburse the County for staffing costs incurred in relation to the New York State Attorney General's Community Revitalization Initiative Grant.
- Additionally, \$3,200 was paid to BrownfieldListings.com for a 1 year Premium Listing pack which includes 1 premium profile, 20 project boards, periodic social media sharing, featured blog posts and newsletter placement. In the event of a sale new sites may replace successful listings. Funds were used from the designated marketing pool of the Attorney General grant.



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

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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 28, 2018 (the "Annual Report"), is based upon financial information as of December 31, 2017 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 28<sup>th</sup> day of March, 2018.



Vice Chair/CEO  
Theresa Ward

3/28/18

Date



President/ Executive  
Director  
Sarah Lansdale

3/28/18

Date



Treasurer/CFO  
Jason Smagin

3/28/18

Date

