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State hires LI auctioneer to sell Sandy-damaged properties

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The state agency responsible for helping residents repair or sell their superstorm Sandy-damaged homes has hired a Long Island auctioneer to sell off the distressed properties -- all at fire sale prices.

The governor's Office of Storm Recovery has hired Paramount Realty USA to usher in the next phase of NY Rising's buyouts and acquisitions program -- the distribution of about 700 state-owned Long Island properties into private hands -- starting on May 19.

Bidding for some places will start at 20 to 30 percent of the pre-storm price tags. For sale are 81 properties in Nassau and 69 in Suffolk.

"The Buyout and Acquisition Programs exemplify the state's ongoing commitment to increasing New York's long-term resiliency," said Jamie Rubin, executive director of the agency. "Through these significant undertakings, we are able to streamline recovery and resiliency measures for some of the hardest-hit communities."

Officials said that of the 1,200 properties that the state has already bought through the two programs, 500 will be "returned to nature," or demolished and reconfigured to become buffers for future storms in the form of wetlands or other environmentally resilient structures.

The remaining 700 properties, all on Long Island, will be resold through the auction, which will take place on May 19 and 20 at the Hyatt Regency Long Island hotel in Hauppauge.

Acquisitions are homes that will be demolished and repurposed, while buyouts are those that will be returned to nature. All of Long Island's buyouts are in Suffolk.

"The State has so far closed on a total of 92 properties (at a value of more than \$36.4 million) in Nassau County and 79 properties (at a value of \$31.2 million) in Suffolk County through the Acquisition Program," state officials said in a news release announcing the auctions. "As part of the endeavor, Long Island homeowners receive a median payment of more than \$395,000."

On its website, Paramount, which is in Garden City and Manhattan, promotes the sale of "150 Long Island Properties, Owned by New York State, Damaged by superstorm Sandy & Other Storms."

With thumbnail photos of the inventory, like a glossy real estate brochure, it cites the types of properties: "Land, Fixer-Uppers, Tear Downs," and quotes a price range with, "Pre-Storm Values as High as \$1,200,000" and "Minimum Bids as Low as \$28,000!"

Interested buyers may get information at the auctioneer's website at prusa.com.

Officials said that the proceeds from the auctions will "be used in accordance with the State's Community Development Block Grant-Disaster Recovery (CDBG-DR) Action Plan, which includes allocations for multifamily affordable housing and Public Housing Assistance Relief."

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