

Suffolk closes on land sale for rail hub

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Suffolk County has closed on the \$19.4 million sale of 230 surplus acres in Yaphank for a rail hub even though a lawsuit seeking to block the deal is pending in State Supreme Court.

The county filed the sale to Oakland Transportation Holdings LLC on May 20 after several delays since late last year. The deal closed less than two weeks after county Comptroller Joseph Sawicki cited the delayed sale as part of the reason the county ended 2012 with a deficit of \$155.5 million, which was higher than expected.

"We gave it several months, but we were at a point if we waited much longer we would put the deal into jeopardy," said Deputy County Executive Jon Schneider. The county legislature approved the sale last summer and will put the property back on the tax rolls, generating \$3.1 million in new revenue annually, Schneider said. Much of the money will go to the South County and Longwood school districts.

But Reggie Seltzer, the attorney representing the four local residents seeking to block the sale, said the county's action showed "total disrespect for the court and the judge hearing the case." The case is pending before Justice Martin Smith in Riverhead.

County Attorney Dennis Brown said there was nothing to prevent the county from moving ahead because the plaintiffs never sought a temporary stay. Brown said the county is "very confident" it complied with county and state law.

In their suit filed last September, the Yaphank residents claimed the county did not undertake a public bidding process to get the highest price for the land. They said the rail hub would jam local roads and threaten the Carmans River waters, and that the buyers have failed to disclose their plans for the tract.

The hub started in 2011 with 30 acres and expanded to another 88 acres where construction has begun on a 60,000-square-foot warehouse to store building products for Home Depot. Officials say the hub so far has brought 1,400 rail cars carrying materials including flour, building supplies, stone aggregate for roadwork, biodiesel fuel and bentonite, used for landfill liners, removing the equivalent of 5,600 tractor trailer trucks from the highways.

Daniel Miller, chief executive of Oakland Transportation Holdings, said, "I'm pleased to have completed the land purchase with Suffolk County and we look forward to further development of the railroad."