



**FY 23 EPA RLF Grant Application  
Sullivan County**

**Narrative Information Sheet**

1. Applicant Identification: Sullivan County  
100 North Street, Monticello, NY 12701
2. Funding Requested: a) Grant Type – Individual RLF  
b) Federal Funds Requested - \$800,000
3. RLF Boundaries: Sullivan County, New York:

4. Target Area and Priority Site Information:

Site Address	City/Town	Census Tract
4704 State Route 55	Bethel, NY	36105951900
389 Ferndale-Loomis Rd	Liberty, NY	36105950702
557 Thompson Road	Monticello, NY	36105951701
Turick Site: 51 - 57 Waverly Ave	Monticello, NY	36105951801

5. Contacts:
  - i) Project Director:  
Jill M. Weyer  
845-807-0530  
[Jill.Weyer@sullivanny.us](mailto:Jill.Weyer@sullivanny.us)  
Sullivan County Division of Planning  
100 North Street  
Monticello, NY 12701
  - ii) Chief Executive:  
Joshua Potosek, County Manager  
845-807-0450  
[Joshua.Potosek@sullivanny.us](mailto:Joshua.Potosek@sullivanny.us)  
100 North Street  
Monticello, NY 12701
6. Population: Population of Sullivan County: 78,624 (2020 US Census)  
Population of Liberty Village: 4,700  
Population of Monticello Village: 7,173  
Population of the Town of Bethel: 4,158  
Population of the Town of Thompson (includes Monticello Village): 15,022



7. Other Factors Checklist:

<b>Other Factors</b>	<b>Page #</b>
Community population is 10,000 or less.	
The applicant is, or will assist, a federally recognized Indian tribe or United States territory.	
The priority site(s) is impacted by mine-scarred land.	
The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).	
The priority site(s) is in a federally designated flood plain. <b>(Turick Site)</b>	2
The reuse of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy.	
The reuse of the priority site(s) will incorporate energy efficiency measures.	
The reuse strategy or project reuse of the priority site(s) considers climate adaptation and/or mitigation measures.	
The target area(s) is located within a community in which a coal-fired power plant has recently closed (2012 or later) or is closing.	

8. Letter from the State or Tribal Environmental Authority: Please find attached a letter from the New York State Department of Environmental Conservation acknowledging that the applicant plans to apply for FY23 federal Brownfields Grant funds

9. Releasing Copies of Applications: No portions of the application are confidential, privileged, or contain sensitive information.



Sullivan County, NY  
EPA RLF Grant Proposal

Letter from State Environmental Authority

# NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Division of Environmental Remediation, Bureau of Program Management

625 Broadway, 12th Floor, Albany, NY 12233-7012

P: (518) 402-9764 | F: (518) 402-9722

www.dec.ny.gov

November 3, 2022

Jill M. Weyer  
Deputy Commissioner  
Sullivan County Division of Planning & Community Development  
100 North Street, Monticello, NY 12701

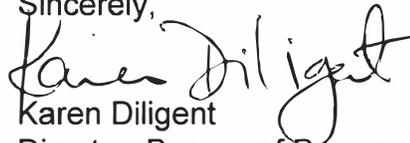
Dear Ms. Weyer:

This is to acknowledge that the New York State Department of Environmental Conservation (DEC) received a request from Sullivan County, dated October 13, 2022, for a state acknowledgement letter for a Federal Year 2023 United States Environmental Protection Agency (USEPA) Brownfields grant.

I understand that Sullivan County plans to submit a Revolving Loan Fund grant application for \$1,000,000. Focus of the funding will be to establish a revolving loan fund to complete hazardous waste substance cleanups throughout Sullivan County, particularly in the Villages of Liberty and Monticello. Funding will also be allocated for reuse planning (including cleanup planning) and community involvement activities.

DEC encourages initiatives to redevelop brownfields with the goal of mitigating any environmental and health impacts that they might pose.

Sincerely,



Karen Diligent

Director, Bureau of Program Management

ec: T. Wesley, USEPA Region 2  
Y. DeJesus, USEPA Region 2  
J. Brown, DEC Albany  
M. O'Connor, DEC Region 3  
D. Pollock, DEC Region 3



Department of  
Environmental  
Conservation

## **1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION**

### **a. Overview of Brownfield Challenges and Description of Target Area**

i. Overview of Brownfield Challenges and Description of Target Area: Sullivan County, NY is a poor rural area located in the Catskill Mountains on the border of Pennsylvania, about 70 miles northwest of New York City. The 997 square mile county includes fifteen towns and six villages, and is one of only five areas in the entire nation designated by the US Department of Agricultural (USDA) as a Rural Economic Area Partnership (REAP) Zone. This designation is emblematic of continued population loss, out-migration, and economic distress, and provides for special Federal attention to the economic and community needs. Sullivan County has a rich tourism heritage as the home to grand resort hotels, summer homes and bungalow colonies. Sadly, these resort communities experienced significant decline in the 70s and 80s, and many sites are now seriously deteriorated or have been razed, fueling in large part our area's out-migration. According to the US Census County Business Patterns, from 1985 to 1995 the hospitality industry alone experienced over a 50% decrease in jobs. With the demise of resorts, large properties blight the landscape, obstructing opportunities for new employment and limiting tax revenues for the County and its municipalities. In addition to the loss of resorts, the area's manufacturing base declined significantly in the 1980s due to globalization which eliminated significant numbers of local jobs.

This decline has resulted in a significant number of brownfield sites across our county. The NYSDEC has documented 50 spill sites, and at least 10 leaking underground storage tank (UST) sites in Sullivan County. Generally, these sites range from a tenth of an acre to tens of acres and exhibit volatile organic compounds, semi-volatile organic compounds, and metals including lead, which pose a threat to health and the environment due to direct contact, ingestion and inhalation. On top of these state-identified sites, the brownfield site inventory conducted as part of our 2017 EPA Community Assessment Grant identified 39 potential brownfield sites. The threat of exposure to contaminants from these sites is intensified by the fact that they are frequently located in close proximity to schools, residences and waterbodies. Many of these properties have sat idle and unused for years and have hindered redevelopment and economic growth in these communities. Contaminants typically found at these sites are those associated with abandoned property and arson such as asbestos, petroleum, lead, PAHs, as well as issues such as widespread illegal dumping and the operation of unlicensed landfills. This has created significant blight and contamination issues that must be addressed in order for the County to realize our revitalization goals.

### ii. Description of the Priority Brownfield Sites:

Our County's economic decline has led to an outward migration of residents from Sullivan County leaving empty storefronts, abandoned homes, graffiti-adorned bungalows, and numerous vacant/underutilized commercial buildings. Of particular concern are those older abandoned homes which have negative property values due to their age, decaying condition, devaluation of real estate, and the cost associated with addressing lead, asbestos, and petroleum contamination. Such properties are known as 'zombie housing' and sit idle until they can be addressed by public sector entities, such as Sullivan County. Sullivan County has a very high percentage of vacant houses (44%) as compared to New York (11%) and the US (12%). Many of these vacant houses are uninhabitable or unsafe and have a high potential of contaminants. We, along with our partners at the Sullivan County Land Bank are working to strategically direct problem properties from the tax foreclosure process to the land bank to address the issues rather than sell the properties at auction to unsuspecting buyers who may not know about the issues, or choose to ignore them. We are able to reactivate such distressed and blighted properties by remediating them and creating safe, affordable homeownership opportunities. These zombie houses are a primary focus of our proposed RLF program, along with more traditional brownfield sites identified through the 2017 EPA Brownfield inventory process. Typical of the sites in need of cleanup assistance are the following targeted sites:

4704 State Rt 55, Bethel, NY is a 808 sq ft, vacant, single story ranch home constructed in 1955 on .59 acres in a residential and wooded area, which has been declared an unsafe structure with no water or electric, and has been cited for accumulation of rubbish and debris as well as unregistered vehicles, trailers, and boats. Contaminants include lead, asbestos, petroleum, and heavy metals.

389 Ferndale Loomis Rd, Liberty, NY is a vacant 2-bedroom, 1 bath, 960 sq ft home built in 1960 on about .6 of an acre in a rural, residential and wooded area. It has been determined to be an unsafe structure and requires demolition. Contaminants include lead and asbestos.

557 Thompson Rd, Thompson, NY is a multifamily collection of eleven 1 bedroom 1 bath units in four buildings, built in 1890 on about .75 acres. It has a laundry list of 15 open violations spanning from 2013-2019, including unsafe structure, unsafe conditions, garbage, dumpsters, discharge, junkyards, and motor vehicles. Contaminants include metals, petroleum, lead, asbestos.

The Turick property at 51-57 Waverly Ave, Monticello, NY is a vacant property consisting of five parcels totaling 6.9 acres. The site is zoned suburban residential and is located in a floodplain with wetlands present on site. The site contains abandoned buildings and vehicles. Previously it was a mechanical garage, and from 2004-2007 it was an illegal dump site. Contaminants include demolition debris, household waste, lead-acid batteries, scrap metal and automobile parts.

## **b. Revitalization of the Target Area**

i. Reuse Strategy and Alignment with Revitalization Plans: Redevelopment of brownfield sites is specifically described as a vision in the County's Climate Action Plan, the County comprehensive plan and the local plans of its 21 component municipalities. The sites proposed for housing are exactly what was envisioned by the September 2022 *Sullivan County Comprehensive Housing Strategy Plan*. This study identified several stressors on the Sullivan County housing market that have set up a perfect storm for our residents: 1) an increasing number of second homes, VRBOs, and vacant land purchased by people living outside the county, which diminishes the available housing supply for year-round residents; 2) the generally degraded condition of the county's existing housing supply, and 3) housing and rental prices that remain much lower than national and regional levels, which discourages investment in rehabilitation of these homes. The plan calls for "generating a pipeline of rehabbed and affordable homeownership options by addressing long neglected residential properties that require significant and costly upgrades." The plan further states that the Sullivan County Land Bank, a partner in Sullivan County's efforts to address zombie housing, should take possession of tax foreclosed properties, oversee their rehabilitation, and then sell the rehabbed properties to qualified buyers. The plan outright calls for creating a pool of working capital that would be replenished upon sale of the residential properties. Key to this strategy to rehabilitate zombie housing is to address environmental remediation needs to make the homes safe for future homeowners. The EPA RLF grant would provide the desperately needed pool of working capital. Similar goals are supported by the 2020 Sullivan County Comprehensive Plan, particularly with the Community Development and Housing Goal: *Improve the availability, affordability, and quality of housing through creation, preservation, and code development and enforcement*. Further, as these zombie homes had previously been developed for residential, their remediation and rehabilitation for continued residential use is in conformance with existing local planning and zoning. The three priority sites identified in Bethel, Liberty, and Thompson are slated for redevelopment as housing, in conformance with these objectives. Although the exact use of the Turick property has not been determined, a local Rabbi has been in discussions with the County to purchase the property for reuse as a summer camp. Negotiations have stalled due to the site's contamination and open dump. This reuse is in line with the 2020 Comprehensive Plan Economic Development Goal: *Create a diversified tourism industry*.

ii. Outcomes and Benefits of Reuse Strategy:

The proposed reuses of the sites bring benefits that stretch far beyond simply the removal of a blighted eyesore. Redevelopment of these properties will primarily provide safe and affordable single-family housing or multi-family on the larger sites like the Thompson Road site, but other sites provide opportunity to diversify the economy and bring needed services to the community. Our identified priority sites are expected to have benefits as described in the table below. The last column extrapolates the potential benefits of the proposed first-generation funds for this program:

Anticipated Metrics	Bethel	Liberty	Thompson	Turick Site	Estimated Program Total
New Jobs	2 temporary	2 temporary	4 temporary	8 (seasonal)	48 temp, 8 seasonal
New Tax Revenue (\$)¹	\$2,430	\$2,430	\$4,860	\$5,160	\$63,480
New Housing (# units)	1	1	2	1	25
Recreational (# Acres)	0	0	0	6.9	6.9
Acres Remediated	.59	.6	.75	6.9	18.54

**c. Strategy for Leveraging Resources**

i. Resources Needed for Site Reuse:

The target sites are acquired via tax foreclosure, and assessed via the County’s 2017 EPA Assessment Grant. Upon completion of cleanup, funded via the RLF, the sites will be demolished and redeveloped using funding from the Sullivan County Land Bank, as well as other housing funding including the NYS Land Bank Initiative and other State grant programs such as CDBG, AHC and Small Building Participation Loan Program. Funding sources will be dependent on whether the homes are able to be renovated or if new units will have to be constructed entirely. It is expected that each site will cost an average of \$260,000 to conduct the redevelopment / rehabilitation work. The demolition costs range between \$30,000 upwards to \$120,000 depending on the size of the structure and amount of contamination. The redevelopment could cost anywhere from \$70,000 renovation project to a brand new home that costs approximately \$300,000

ii. Use of Existing Infrastructure:

The target properties are all reuses of previously developed land, and are served by municipal utilities to include transportation or have existing potable well supplies/septic systems. No additional infrastructure construction or upgrades are expected to be needed beyond hookups to existing infrastructure. Our target priority sites illustrate this: the Turick Site is located in Monticello on Waverly Avenue, directly across from the Waverly Gardens housing Development. The Thompson site is located at the intersection of Thompsonville Road, River Road, and Heiden Rd (Route 161), directly across from the Thompson Post Office. The Liberty site is located between Routes 55 and 17, and the Bethel site is located right on the highway (Route 55).

**2. COMMUNITY NEED AND COMMUNITY ENGAGEMENT**

**a. Community Need**

i. The Community’s Need for Funding: According to USDA, rural areas like Sullivan County face economic and community development issues of a very different character, so much in fact, that our County is located in a 2001 federally designated Sullivan-Wawarsing Rural Economic Area Partnership (REAP) Zone based on the level of economic distress; one of only 5 in the US. Abandoned buildings, illegal dumping, poor health outcomes, and economic indices combine to make Sullivan County a poster child for rural disinvestment and poverty. Sullivan County lacks sufficient and affordable ready-to-

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¹ Based on average home value for Sullivan County of \$280,547

develop sites, as well as a lack of capital available for reusing older facilities, which otherwise might accommodate new business and help to revitalize our communities. Deteriorating buildings are evident throughout the County and have contributed to a vicious cycle of decline as new private investment has been thwarted, tax bases have been eroded and funds to make repairs and new investments have dwindled. The County has been extremely proactive in pursuing outside sources of funding to support the redevelopment of target properties, however, funding is limited and not available at the state or local level to support the environmental remediation needed to return the County's brownfield sites to tax-generating use. Given the rural nature of the County and the low income of residents, the communities lack the capital needed to undertake the work themselves. Sullivan County is not a HUD entitlement area and any funds from CDBG or State Brownfield Opportunity Areas must compete with much more urban areas. Therefore, without the EPA Brownfield grant, this critical work would not be possible. The communities where our target sites are located are all flagged as low population (Bethel and Thompson), low income (Liberty – 87<sup>th</sup> percentile), or both (Monticello / Turick site).<sup>2</sup>

ii. Threats to Sensitive Populations

(1) *Health or Welfare of Sensitive Populations:* Sullivan County residents have a greater likelihood of experiencing income constraints (which may lead to difficulties in addressing basic needs including shelter, food, health, etc.) than the state and nation. Sullivan County has the highest percentage of people in poverty (18.3%) than the state (13.9%) and the nation (12.8%)<sup>3</sup>; a higher percent of low-income (32%) than the state (29%) and the nation (30%)<sup>4</sup>; and a higher rate of children and youth living below the poverty line (21.3%) than New York State (16.7%)<sup>5</sup>. The high poverty rates have a direct impact on health, in addition to all the indirect impacts. Sullivan County has the highest rate of adults who did not receive medical care due to cost in the mid-Hudson region, at 20.9%; significantly higher than the State rate of 11.5%.<sup>6</sup>

Sullivan County residents also have the lowest rates of educational attainment. 25% of the Sullivan County population ages 25 and older do not have a high school diploma (as compared to 12% in New York state and 11% nationally). Furthermore, only 29.7% of Sullivan County residents have a bachelor's degree or higher (as compared to 39.9% in New York State and 35% nationally)<sup>7</sup>.

EJ Screen indicates that within a 2.5 mile radius of the target sites, the Liberty site has a population that is 49% people of color, Thompson 42% and Monticello 59%. There are all greater than the US average of 40%. According to the US Census 1-year ACS in 2021, Sullivan County has rate of 104 (per 1,000) women who had a birth in the prior 12 months and fell below the poverty level. This rate is much higher than the State rate (57%) and the national rate (72%).<sup>8</sup> Sullivan County ranks 14 in the State for teen pregnancy rates at 36.1, exceeding the state average of 33.2, and has the lowest high school graduation rates (80%) in the mid-Hudson region of New York<sup>9</sup> and the lowest levels of enrollment in higher education<sup>10</sup>. They also experience the highest rates of violent crime in the area.<sup>11</sup>

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<sup>2</sup> Census Tract Population from EJ Screen, Low income percentile from CEJSP, Town Population from Census.gov

<sup>3</sup> US Census, ACS 1-Year, 2021 Poverty Status in the Past 12 Months by Sex and Age

<sup>4</sup> EJ Screen

<sup>5</sup> [https://www.nyskwic.org/get\\_data/county\\_report\\_detail.cfm?countyID=36105](https://www.nyskwic.org/get_data/county_report_detail.cfm?countyID=36105)

<sup>6</sup> <https://health.data.ny.gov/Health/Behavioral-Risk-Factor-Surveillance-System-BRFSS-H/jsy7-eb4n/data#revert>

<sup>7</sup> US Census, ACS 1-Year, 2021 Educational Attainment

<sup>8</sup> US Census, ACS 1-Year, 2021 Fertility

<sup>9</sup> <https://data.nysed.gov/reportcard.php?instid=800000081568&year=2017&createreport=1&freelunch=1&gradrate=1>

<sup>10</sup> <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

<sup>11</sup> <https://www.criminaljustice.ny.gov/crimnet/ojsa/Crime-in-NYS-2017-Preliminary-5-10-18.pdf>

These sensitive populations will benefit from the improved environment, including decreases in lead paint, asbestos, contaminants stemming from illegal dumping, and discharges from underground tanks and abandoned vehicles. Additionally, they will have access to the good jobs that come with both remediation of brownfields and rehabilitation that will follow.

(2) *Greater Than Normal Incidence of Disease and Adverse Health Conditions:* Since 2010, when the Robert Wood Johnson Foundation first released County Health Rankings, Sullivan County has ranked near the bottom for Health Outcomes in New York, better only than the Bronx. These health rankings utilize measures in two overall categories: Health Outcomes and Health Factors. The leading cause of death in Sullivan County is cancer, followed by heart disease and respiratory diseases, at rates higher than the state overall<sup>12</sup>. In fact, the mortality rates for chronic lower respiratory disease was the highest in Sullivan County at 45.6 per 100,000 people compared to 28.9 for the State.<sup>13</sup> Sullivan County also experiences low birthweights at a higher than average rate, with 8.8% of births under 2500 grams in the county, compared to 7.8% in the state, and 6.3% in neighboring Rockland County.<sup>14</sup> These poor health outcomes are due in part to the high poverty and low access to health care and healthy foods, but given the types of health issues most prevalent, are certainly exacerbated by the presence of contaminants at brownfield sites.

Lead is a major concern in Sullivan County. According to the Housing Assistance Council, 21.6 % of the housing stock in Sullivan county was built prior to 1939 (compared to 13% nationally) 61.9% before 1980 (55.3% nationally). As a result, according to the NY Department of Health’s New York State Community Health Indicator Reports (CHIRS), Sullivan County blood lead exceedances are 8.6/1,000 children above 72 months, much higher than the state rate of 3.8.<sup>15</sup> The Mid-Hudson Region Community Health Assessment 2019-2021 (MHRCHA) indicates Sullivan County has the lowest reported perception of quality of life in the region, with 44% of respondents reporting it as fair or poor. The top issues affecting health in Sullivan County were: access to affordable and reliable transportation (private and public) and access to affordable, decent, and safe housing, with participants reporting “the high cost of housing as a barrier of affordability for other necessities, such as nutritious food.” In fact, 39.5% of existing Sullivan County homeowners are cost burdened, with housing costs 30% or more of income, despite the fact that our county vacant home rate is 43.6% is nearly four times that of the national rate of 12.2%.<sup>16</sup> Access to improved housing will form the foundation of county revitalization. Rehabilitating zombie properties or derelict commercial sites, including areas of illegal dumping, will have both physical and psychological health benefits.

(3) *Promoting Environmental Justice:* Sullivan County has areas defined as disadvantaged as per Justice 40 in the areas of workforce development, clean energy and energy efficiency<sup>17</sup>. Within the target site census tracts, for lead based paint, compared to the national percentile, Bethel is 56%, Liberty is 81%, and Monticello is 84%. Monticello is also 84% for Underground Storage Tanks, and Liberty is 69%. Monticello and Liberty are adjacent to a major state highway (NY-71) that is being converted into Interstate 86, and thus residents experience higher than average proximity to traffic, ranking in the 80-90% percentile for this metric when compared to the rest of the country. According to EnviroAtlas,

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<sup>12</sup> [https://apps.health.ny.gov/public/tabvis/PHIG\\_Public/lcd/reports/#state](https://apps.health.ny.gov/public/tabvis/PHIG_Public/lcd/reports/#state)

<sup>13</sup> <https://www.health.ny.gov/statistics/chac/indicators/index.htm>

<sup>14</sup> <https://www.health.ny.gov/statistics/chac/indicators/index.htm>

<sup>15</sup> [https://webbi1.health.ny.gov/SASStoredProcess/guest?\\_program=/EBI/PHIG/apps/chir\\_dashboard/chir\\_dashboard&p=ct&cos=48](https://webbi1.health.ny.gov/SASStoredProcess/guest?_program=/EBI/PHIG/apps/chir_dashboard/chir_dashboard&p=ct&cos=48)

<sup>16</sup> [ruralhome.org](http://ruralhome.org)

<sup>17</sup> Climate and Economic Justice Screening Tool

Sullivan County also has impaired waterways by mercury, nuisance species, and nutrients. Our county clearly has areas of multiple stressors and economic challenges defined by its geographic isolation, absence of an active commercial center, low-density settlement patterns, historic dependence on tourism, continued population loss, outmigration, and economic distress. These layered stressors can cause decreased health, welfare, and quality of life. Addressing the environmental issues located throughout Sullivan County will create opportunities for good jobs during both the remediation phase and the subsequent rehabilitation of the targeted properties. Sullivan County residents will benefit from fewer local contaminants and decreased blight leading to increased investment and job creation.

**b. Community Engagement**

i. Program Involvement: and ii. Program Roles: The EPA RLF program will use the community engagement vehicle deployed for our EPA Assessment Grant, the Brownfield Task Force:

Entity Name	Contact	Involvement / Role
Sullivan County	Jill Weyer 845-807-0530 Jill.Weyer@sullivanny.us	Convener of the Task Force; provides information re: use of funds
Sullivan County Land Bank	Freda Eisenberg, Chair 845-807-0527 info@sullivancountylandbank.org	Will take title of foreclosed properties to facilitate remediation and redevelopment; prospective RLF user
Village of Liberty	Vince McPhillips 845-292-5110 VMcPhillips@LaBellaPC.com	One of the priority communities; assist with presenting Liberty’s priorities sites for use of RLF money; prospective RLF user
Town of Thompson	Jim Carnell 845-794-2500 jcarnell@townofthompson.com	One of the priority communities; assist with presenting Thompson’s priorities sites for use of RLF money; prospective RLF user
Town of Fallsburg	Mollie Messenger 845-434-8811 mmessenger@fallsburgny.com	Assist with presenting Fallsburg’s priorities sites for use of RLF money; prospective RLF user
Village of Monticello	George Nikolados 845-794-6130 gnikolados@villageofmonticello.com	One of the priority communities; assist with presenting Monticello’s priorities sites for use of RLF money; prospective RLF user
Town of Bethel	BJ Gettel 845-583-4350 bldgdept@liberry.biz.rr.com	One of the priority communities; assist with presenting Bethel’s priorities sites for use of RLF money; prospective RLF user
Sullivan County Partnership for Economic Development	Recent turnover requires a new representative to be identified	Facilitates economic development in the county. Assist with marketing and identification of prospective RLF users

iii. Incorporating Community Input: Since 2017, Sullivan County has been working with our community governmental entities, residents, and business as part of implementing the EPA assessment grant, and we will continue to work with local stakeholders regarding the remediation and redevelopment of sites for the RLF program. Sullivan County has a Brownfield Task Force, as described above, which is comprised of representatives from local governments, non-profits and economic development organizations, that provides input into all brownfield related activities. We will continue to attend local community meetings and meet with community leaders to ensure public awareness of the ongoing remediation at EPA funded sites, receive input on reuse, and address any concerns raised. For each site to receive RLF funding, we will identify surrounding sensitive populations and provide public notification of environmental activities to stakeholders, owners, and tenants within 200 feet through letters or a sign at the site. Project information will also be posted on our Instagram and Facebook pages. Due to the Coronavirus pandemic, we began convening meetings via zoom, which will continue to allow for maximum participation.

### 3. TASK DESCRIPTIONS, COST ESTIMATES, AND MEASURING PROGRESS

#### a. Program Description and Marketing Strategy

i. Program Management: Sullivan County's EPA RLF team also manages three existing revolving loan funds: Agri-business RLF, Main Street RLF, and USDA Rural Business Microenterprise RLF. In place since 1997, our loan team is comprised of a seven-member RLF Advisory Board, serving as the entity authorized to review applications to ensure program criteria is met and make recommendations for award. Sullivan County Division of Planning (SCDP) has a designated Program Manager who convenes and informs the Advisory Board, meets with prospective applicants, and ensures project progress is made. In 2017, the county competitively procured an outsourced Loan Administrator responsible for loan underwriting and servicing. Since he joined the team, we have had a 0% default rate and all loan repayments are current.

We have an existing RLF Programs Policies and Procedures Manual and a separate Program Guidelines manual that sets forth guidance for how SCDP is to manage, underwrite, and service our RLF programs. Upon award, EPA's RLF product will be added to these manuals to maintain a consistent loan and grant process. Like our other loan projects, we have community benefit criteria of creating / retaining jobs and making investments in our county's distressed or disadvantaged communities. Applicants are first screened and interviewed by the SCDP Program Manager. If passing the eligibility screening, the application undergoes underwriting by our Loan Administrator. The application request is then presented to the RLF Advisory Board. If approved, the funding request is then considered for award by the County Legislature.

Given our EPA RLF priority projects, we are looking to include up to 50% of forgivable principal for our loans to zombie housing projects. The amount of the loan forgiveness is capped at 50% of the loan award, but the actual amount will be determined on a case by case basis as a function of the appraised value and projected resale value of the property to ensure that the loan is able to be repaid with the property's resale. Interest rates are expected to vary from 0% for loans to the Land Bank for zombie housing projects and for other projects for private entities an interest rate of 1% below Prime with a base minimum of 2% and a maximum of 6% will be used, with terms up to ten years. Underwriting fiscal criteria is set forth in the afore mentioned program manuals. Criteria include such things as a minimum of 1:1 collateral to loan value, evaluation criteria, as well as formulas to be used for establishing if project cash flows will be sufficient to pay proposed debt services and credit test parameters.

ii. Revolution of the RLF: Sullivan County has a demonstrated ability to revolve a loan fund. Once loans are approved and closed, all loans are tracked via loan.software ensuring proper payback of the loan. Since adding a Loan Administrator to perform rigorous underwriting efforts, we have a 0% default rate and all loan repayments are current. The initial capitalization for our existing loan programs came from HUD and USDA. As such, our lending practices, follow HUD and USDA's prudent lending requirements. In fact, our Agri-Business RLF was created in in 1998 with an initial award of \$510,000 and our Main Street RLF was established in 1999 with \$300,000, both with HUD funding. The Rural Business Microenterprise RLF was seeded with a \$200,000 grant from the USDA. **ALL** RLF programs are still revolving today, some 25 years later. Since 1997, the RLF has loaned out over \$3,000,000 to approximately 140 local farms and businesses and has been an integral part of improving the Sullivan County economy.

By having an established non-refundable fee structure for various items including application submission (\$50) and processing fee (\$100), we help to ensure that borrowers are committed to the program. Also aiding in our ability to revolve RLFs are annual reviews of the loans in our portfolio. These reviews allow us to ascertain changes in a borrower's finances, pledged collateral, and violations of any loan covenant, and if needed, develop an action plan to remedy any issues with making loan repayments.

As a community development lender in a small community, when Sullivan County closes a loan, SCDP staff enter into a long-term relationship with the borrower and make a commitment to protecting that relationship. Regardless of whether the borrower and/or grantee is the county Land Bank or a private borrower, SCDP staff are in communication with them and are able to collect additional data for metric measurement after the close out of the EPA Cooperative Agreement.

iii. Marketing Strategy: The types of projects that we are targeting for the EPA RLF funding are specific: our zombie housing projects and the multi-owner Turick site. We have a strong working relationship with the Land Bank that allows us to partner with them to address the contamination associated with the abandoned housing, and they have provided a commitment to access loan funding for the targeted projects. On average, the Land Bank has to find ways to deal with 10 such properties a year. Likewise, there are several parties that have expressed interest in loans/grants for the Turick site.

In addition to these categories of prospective borrowers/grantees, we meet with a variety of other entities and individuals seeking resources for things such as improving derelict main street properties, purchasing property for expansion of existing businesses, or small business owners involved in the manufacturing or distribution of agricultural products. For outreach to these prospective applicants, Sullivan County would expand our existing marketing efforts used for the other RLF programs we manage. This entails modifying our existing RLF brochure and expanding our RLF landing page on the county website to include the particulars of the EPA RLF program. We have also found social media, especially our Facebook page, to be useful with marketing our existing program. Just in the past month, we’ve had significant press in our local newspapers, our local Spectrum TV News, as well as our local radio station. Moreover, the cross jurisdictional make up of our RLF Advisory Board and our Brownfields Task Force serve as community advocates for the EPA RLF program. Members come across prospective RLF users during their ‘day jobs’ and often refer borrowers to our programs.

**b. Description of Tasks / Activities and Outputs**

<b>Task 1: Program Management</b>
i. Project Implementation: EPA funded activities include travel to EPA conferences and regional brownfield events relative to brownfields cleanup financing. Non-EPA Grant resources will include in-kind contributions of Sullivan County personnel managing the grant including fulfilling reporting requirements, vetting borrower/sub-grantee and site eligibility with EPA, procuring QEP contractor, and performing programmatic oversight of the RLF grant at an estimated \$30,000, assuming 150 hours / program year.
ii. Anticipated Project Schedule: Duration of the Cooperative Agreement Performance Period
iii. Task/Activity Lead: SCDP Project Director
iv. Outputs: Conferences attended; ACRES reporting; quarterly reports; MBE/WBE Reports; Financial Reports; sites vetted and approved; Request for proposals issued for contracted support and grant closeout documentation
<b>Task 2: Marketing</b>
i. Project Implementation: EPA funded efforts for this task involve the development and issue of a program brochure. Non-EPA Grant resources will include in-kind contributions in the form of Sullivan County personnel conducting activities necessary to perform outreach to local governments, non-profit entities, developers and others to publicize the benefits and availability of the RLF program for both targeted and additional sites. The majority of the County’s marketing will be conducted in conjunction with the marketing efforts for our other existing financing programs. This includes efforts by the RLF

Advisory Board and the Brownfields Task Force. County personnel in-kind marketing for the RLF program is estimated \$7,440 assuming each member expends a minimum of 6 hours / program year.
ii. Anticipated Project Schedule: Concentrated Marketing in Years 1 and 2, with lesser efforts in Years 3 to 5.
iii. Task/Activity Lead(s): SCDP Project Director with support from RLF Advisory Board, Brownfields Task Force, and contracted designer to develop the brochure.
iv. Outputs: Meetings attended; brochures/handouts produced and disseminated; and other marketing materials
<b>Task 3: Fund Management</b>
i. Project Implementation: EPA funded efforts for an outsourced Loan Administrator to conduct fund management activities including underwriting; vet fiscal viability of project proformas; service the loans; work with the borrower/sub-grantee to ensure compliance with loan and sub-grant terms; and review expenditure eligibility. Loans and subgrants, both in the form of direct subgrants as well as in the form of a portion of loan principal forgiveness, will also be funded by EPA monies. Non-EPA Grant resources will include in-kind contributions of SCDP personnel conducting pre-application meetings with prospective borrowers and subgrantees to initially screen project eligibility criteria; developing and executing the loan/sub-grant agreements; and process disbursements. The RLF Advisory Board will be assisting with vetting the community benefit criteria for prospective projects and making recommendations to the County Legislature for funding award. County personnel and RLF Advisory Board in-kind fund management for the RLF program is estimated \$8,880 assuming each member expends 12 hours / program year.
ii. Anticipated Project Schedule: Development of loan documents - Year 1. Loan underwriting and funding disbursements - latter part of Year 1 to Year 5. Loan servicing - Year 2 to beyond the grant performance period. Meeting with prospective borrowers and sub-grantees - duration of and beyond the grant performance period.
iii. Task/Activity Lead(s): SCDP Project Director with assistance for underwriting and servicing by a contracted Loan Administrator. RLF Advisory Board will assist with vetting community impact criteria and making recommendations for awards.
iv. Outputs: Loan/sub-grant applications received and processed, loan/sub-grant applications recommended for County Legislature approval, loan/sub-grants awarded and closed, and loans serviced.
<b>Task 4: On-Scene Coordinator (OSC)</b>
i. Project Implementation: OSC activities will include the oversight of the borrower/subgrantee cleanup activities; regulatory agency liaison; technical review of drawdowns; outreach to local community stakeholders at each site; ABCAs; Davis Bacon Act compliance; and compliance with applicable state cleanup requirements to obtain a Certificate of Completion.
ii. Anticipated Project Schedule: End of Year 1 to Year 5
iii. Task/Activity Lead(s): A procured environmental professional to serve as the OSC
iv. Outputs: ABCAs, Administrative Records, community meetings, Certificates of Completion

**Additional information:**

ii. Identifying Additional Sites: The types of projects that we are targeting for the EPA RLF funding are specific: our zombie housing projects and the multi-owner Turick site. On average, the Land Bank has 10 zombie properties a year that are added to their roles, roughly 60% of which are pre-1960 housing stock

and will require remediation. With a county vacant property rate of 43.6%<sup>18</sup> there are no shortage of such properties each year. In addition, we meet with a variety of other entities and individuals seeking environmental resources. As described in Section 3.a.iii, this program will be marketed in concert with our other RLF programs, and like these, applications for the EPA RLF will be accepted on a rolling basis and screened for eligibility including criteria for community benefit, job creation / retention, and investment in our county's distressed or disadvantaged communities.

**c. Cost Estimates**

<b>Task 1 Program Management:</b>		
Travel: 3 EPA conferences for airfare, lodging, and associated travel costs est. @ \$1,500/event and travel to 5 annual regional brownfields meetings est @ \$500/meeting		<u>\$7,000</u>
	<i>Task 1 Subtotal</i>	<u>\$7,000</u>
<b>Task 2 Marketing:</b>		
Contractual: Brochure Designer est. one time expense @ \$5,000		\$5,000
Supplies: handouts, maps, and other meeting materials average estimate cost for 5 years est. @ \$400/year		<u>\$2,000</u>
	<i>Task 2 Subtotal</i>	<u>\$7,000</u>
<b>Task 3 Fund Management:</b>		
Contractual: Loan Administrator average cost per year for 5 years est. @ \$500/month		\$30,000
Loans: Zombie Homes cleanup of 9 sites at an average of \$25,000 / site		\$225,000
Turick Property 1 loan for cleanup of 1 site at an estimate of \$270,000 / site		\$270,000
Subgrants: Loan forgiveness for Zombie Homes for eligible entities 9 Subgrants at an average est. \$7,500 /loan		\$67,500
Subgrant for local government for cleanup of Turick Property est. @ \$150,000		<u>\$150,000</u>
	<i>Task 3 Subtotal</i>	<u>\$742,500</u>
<b>Task 4 On-Scene Coordinator:</b>		
Contractual: OSC average of 5 years est. @ \$8,700/year		<u>\$43,500</u>
	<i>Task 4 Subtotal</i>	<u>\$43,500</u>

The project budget table is presented below:

Budget Categories	Project Tasks				
	Task 1 Programmatic Expenses	Task 2 Marketing	Task 3 Fund Management	Task 4 On-Scene Coordinator	Total
	Personnel				
Fringe Benefits					\$0
Travel	\$7,000				\$7,000
Equipment					\$0
Supplies		\$2,000			\$2,000
Contractual		\$5,000	\$30,000	\$43,500	\$78,500
Other: Loans			\$495,000		\$495,000
Other: Subgrants			\$217,500		\$217,500
<b>Total Direct Costs</b>	<b>\$7,000</b>	<b>\$7,000</b>	<b>\$742,500</b>	<b>\$43,500</b>	<b>\$800,000</b>
<b>Total Indirect Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>BUDGET TOTAL</b>	<b>\$7,000</b>	<b>\$7,000</b>	<b>\$742,500</b>	<b>\$43,500</b>	<b>\$800,000</b>

<sup>18</sup> ruralhome.org

**d. Measuring Environmental Results** – Outputs (provided in budget narrative) will be monitored via annual documentation from the Loan Administrator’s review of each loan. SCDP staff will communicate with subgrantees, be they Land Bank or other local municipalities, to collect annual data updates for grant funded projects. SCDP will track and report on project results and outcomes to include funding leveraged, housing developed, contamination removed, acres addressed, sites completed. and tax dollars generated. SCDP will track, measure and evaluate project progress through documentation provided by all contractors and consultants, and will provide this information to the EPA project officer through EPA’s ACRES system and quarterly reports, annual reports, and regular correspondence. SCDP will partner with EPA Region 2 to ensure the remediation is protective of human health and the environment.

#### **4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE**

##### **a. Programmatic Capability**

i. Organizational Capacity; ii. Organizational Structure; and iii. Description of Key Staff: Since 1987, Sullivan County has operated a Revolving Loan Fund Program comprised of three separate funds: Agri-business RLF, Main Street RLF, and USDA Rural Business Enterprise. To date, the aggregate loan portfolio is valued at \$400,000 with 20 loans. Sullivan County has the organizational capacity to implement the EPA RLF grant in addition to the programs we currently administer. Jill Weyer serves as the SCDP RLF Program Manager. With Sullivan County for over 20 years, Jill oversees the management of the Sullivan County RLF Program. She received a Master’s Degree in Public Administration specializing in Environmental Science & Policy from Columbia University and a Bachelor’s in Landscape Architecture from SUNY College of Environmental Science & Forestry. She has extensive experience developing budgets, performing accounting functions, managing all aspects of grants, and working with federal, state and local government officials. Our loan team also has a seven-member RLF Advisory Board, serving as the entity authorized to review applications to ensure program criteria is met and make recommendations for award. Jill Weyer serves on this Advisory Board, along with a cross section of other professionals to include a municipal comptroller, a certified financial planner, a bank lending officer, a local planning board member, a representative of a local federal credit union, and a retired attorney. Together, the RLF Advisory Board is well suited to reject or accept applications from prospective borrowers/subgrantees.

For grant management, Sullivan County uses *Amplifund*, grant management software designed to maintain compliance and improved performance outcomes. For fund management of our RLF program, we use *The Mortgage Office*. This software program was developed specifically for managing all aspects of an RLF program: origination, servicing, and overall accounting.

iv. Acquiring Additional Resources: In 2017, following local and federal procurement requirements, we competitively procured a Loan Administrator, John Kiefer, to assist with the fiscal management of our existing RLF program. Previously John worked at First Capital, a specialized commercial finance company. Under John’s leadership, First Capital grew from a regional lender with a loan portfolio of less than \$70 million to national lender with a portfolio of nearly \$1 billion. Since the John’s involvement as Loan Administrator, all loans are current and our default rate is 0%. For the EPA RLF grant, Sullivan County is anticipating procuring a qualified environmental professional to serve as the program’s On Scene Coordinator. Sullivan County will continue to follow local and federal procurement requirements to secure loan administration and qualified environmental professional services.

##### **b. Past Performance and Accomplishments**

i. Currently Has or Previously Received an EPA Brownfields Grant: Sullivan County previously received a 2017 EPA Community Wide Assessment Grant.

(1) Purpose and Accomplishments: The 2017 County Assessment grant performance period is 10/1/2017 to 3/30/2023, with accomplishments summarized as:

<i>Expended to Date: \$131,389.21</i>		<i>Remaining Balance: \$59,660.79</i>	
<i>Task</i>	<i>Proposed</i>	<i>In-Progress</i>	<i>Completed</i>
Phase I Reports	10	0	10
Phase II Reports	4	1	4
Reuse Planning	3	2	2

All outcomes have been reported to EPA on a quarterly basis as required. Due to delays associated with the Coronavirus pandemic an extension was requested and approved for the grant. We are on track to complete the grant by the end of the current performance period.

(2) Compliance with Grant Requirements: During the grant implementation, an extension was requested due to delays associated with the COVID pandemic. As indicated above, less than \$60,000 remains on the grant and is on track to be expended by the close of the performance period. In general, we have fulfilled grant reporting requirements on time to include our ACRES reporting. We anticipate closing out the project in the next few months and expending all approved funds. See above on grant details. Breakdown of funding expenditures completed and pending:

- Project management: \$3,630
- Site Inventory & Community Outreach: \$19,982
- Phase 1 ESAs: \$20,760.25 (\$1,350 undispersed)
- Phase 2 ESAs: \$81,315.61 (\$35,199.59 undispersed)
- Reuse & Remediation Plans: \$5,701.35 (\$21,291.98 undispersed)



Sullivan County, NY  
EPA RLF Grant Proposal

Threshold Documentation



## **THRESHOLD CRITERIA**

**1. Applicant Eligibility:** Sullivan County, New York is eligible for funding as a County Government Entity.

**2. Demonstration of Previous RLF Grant Status:** Sullivan County has not had, or been a part of, a cooperative agreement for a Brownfields RLF in the past.

**3. Description of RLF Boundaries:** The limits of Sullivan County, New York

### **4. Description of cleanup oversight:**

**a. Cleanup Oversight:** In administering an EPA RLF grant, Sullivan County will comply with all applicable federal and state laws and will ensure that any EPA funded cleanup project protects human health and the environment. If applicable, sites will be enrolled in the NYS Department of Environmental Conservation brownfields cleanup program. As this program only accepts a limited number of sites per year, we commit to working with EPA Region 2 personnel with review of proposed site cleanups and associated deliverables. Sullivan County will procure a Qualified Environmental Professional (QEP) following all applicable local and federal procurement requirements as an initial effort in the implementation of the EPA RLF program. The QEP will be providing technical expertise to oversee EPA RLF funded efforts.

**b. Legal Opinion Letter:** See attached legal opinion letter.

### **5. Contractors and Named Subrecipients:**

- **Contractors:** Not Applicable. Sullivan County has not selected a contractor that will be compensated with EPA funds made available under this RFA.
- **Named Subrecipients:** Not Applicable. Sullivan County has not selected a covered subrecipient that will be compensated with EPA funds made available under this RFA.