

ECONOMIC DEVELOPMENT COMMITTEE
GOVERNMENT OPERATIONS, PERSONNEL, HOUSING & CONSUMER PROTECTION
COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE
MINUTES

A special joint meeting of the Economic Development Committee and the Government Operations, Personnel, Housing & Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on May 19, 2015 to discuss the Capital Budget.

MEMBERS PRESENT:

Leg. William Lindsay III, Chair of the Economic Development Committee/Vice Chair of the Government Operations, Personnel, Housing & Consumer Protection Committee
Leg. Robert Calarco, Chair of the Government Operations, Personnel, Housing & Consumer Protection Committee
Leg. Kara Hahn, member of the Economic Development Committee
Leg. Jay H. Schneiderman, member of the Economic Development Committee/member of the Government Operations, Personnel, Housing & Consumer Protection Committee
Leg. Kevin J. McCaffrey, member of the Economic Development Committee/member of the Government Operations, Personnel, Housing & Consumer Protection Committee
Leg. Thomas Cilmi, member of the Government Operations, Personnel, Housing & Consumer Protection Committee

ALSO IN ATTENDANCE:

Leg. Al Krupski, 1st Legislative District
Leg. Robert Trotta, 13th Legislative District
Leg. Sarah Anker, 6th Legislative District
Leg. Leslie Kennedy, 12th Legislative District
Robert Lipp, Director/Budget Review Office
Laura Halloran, Budget Review Office
Catherine Casey
Tom Ruhle
Marianne Garvin
Jim Morgo
Peter Florey
Jay T. Korth
Ralph Fasano
Joseph Sanseverino
George Aridas
Diane Burke
Jonathan Keyes
David Gallo
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ALSO IN ATTENDANCE: (Continued)

Robert Coughlan

Jim Coughlan

Joanne Minieri, Commissioner/Economic Development & Planning

Louis Bekofsky, Economic Development

Ben Zwirn, Suffolk Community College

Deborah Harris, Aide to Leg. Stern

Amy Ellis, Aide to Leg. Anker

Catherine Stark, Aide to Leg. Krupski

Christina Delisi, Aide to Leg. Schneiderman

Alyssa Turano, Aide to Leg. Hahn

Brian Sapp, Aide to Leg. Lindsay

And other interested parties

MINUTES TAKEN BY:

Diana Flesher, Court Stenographer

THE MEETING WAS CALLED TO ORDER AT 1:00 PM

CO-CHAIR CALARCO:

Good afternoon everyone. Please rise for the Pledge of Allegiance; will be led by Legislator Browning.

SALUTATION

Okay, thank you. We have a number of cards so we're going to go right into our speakers. And we'll get into any questions people may have for the Administration or any of our Commissioners who are here to address us as well.

Our first speaker this morning is Catherine Casey. Miss Casey?

MS. CASEY:

Thank you.

CO-CHAIR CALARCO:

Go ahead.

MS. CASEY:

Good afternoon. Catherine Casey from the East Hampton Housing Authority. I -- many of the points I will touch upon are not exclusively East Hampton issues, but apply countywide.

I'm here in support of increased funding for Capital Programs for workforce housing, specifically 8704 acquisition of land for workforce housing; and 6411 infrastructure improvements for workforce housing.

The East Hampton Housing Authority is working to increase the number of multifamily rental units for workforce housing in our community. The greatest challenge in East Hampton is the unavailability and associated cost of land. Forty-one percent of all land in East Hampton is preserved; 12% through CPF purchase. The CPF is an important program with many community benefits. It does, however, take larger parcels off the market for development and drives up the price of vacant land.

East Hampton is a service economy with very little industry. That translates to a large workforce in very few larger edifices, industrial parks or commercial properties that might be recommissioned for the creation of affordable rental housing. We are surrounded on three sides by 75 miles of coastlines. So sprawl for better or for worse is not an option. East Hampton is finite if nothing else.

I suppose that during these Capital Budget hearings you will be discussing transportation issues also. Our roads are at capacity. Creating more affordable rental opportunities for households at mixed income levels will take some pressure off of roadways, improve services and reduce costs by allowing skilled service providers to live in the communities they serve.

In addition to supporting increased funding for 6411 and 8704, I urge the Legislature to do everything within your power to create a light rail system that can travel east and west simultaneously with connections to north/south service by rail or bus.

The County and the Town of East Hampton are concentrating efforts for better wastewater management. Infrastructure money will enable affordable housing developers to create small on-site processing facilities to eliminate the use of septic systems in high density areas and help the County achieve its goals of improving the water quality in our Sound, our bays, harbors and estuaries.

All of the funding opportunities that come through the State and Federal government require that the developing PHA or non-profit leverage funding from other sources locally and the developer must have site control. Both the PHA and non-profit housing groups need Federal, State and County funds to initiate new projects and secure development funding. This is a high cost area and we cannot achieve our common goals without financial support from the County. Thank you.

CO-CHAIR CALARCO:

Thank you very much. Does anybody have any questions?

D.P.O. SCHNEIDERMAN:

Okay.

CO-CHAIR CALARCO:

Oh, one quick question from Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:

The two Capital Projects you identified were 8704. And what was the other one?

MS. CASEY:

6411. 8704 is acquisition. 6411 is infrastructure. Both County workforce housing.

D.P.O. SCHNEIDERMAN:

And just -- I guess just a quick question in terms of kind of trying to jump start some additional affordable rental properties in the East Hampton area, you had mentioned the CPF kind of -- as a good program but sometimes taking away the large lots. Are you coordinating with the Town on any level? Like, I'll just give you an example. The Town was very anxious to have the County give a -- almost two-acre property in Freetown area to the Town that had -- you know, had a historic house on it.

MS. CASEY:

Is that the 72-h?

D.P.O. SCHNEIDERMAN:

Yes, we did a 72-h transfer of almost two acres of property in an area that is considered to be more affordable area. There was some archeological sensitivity and historic preservation purposes to the old house.

MS. CASEY:

I'm familiar with it.

D.P.O. SCHNEIDERMAN:

Montauk Indian House.

MS. CASEY:

Yep.

D.P.O. SCHNEIDERMAN:

But perhaps the back end of it could have been -- you know, could have been an acre set aside for affordable housing purposes. Are you guys talking to each other in terms of making sure that the CPF Fund isn't sterilizing or basically, you know, preserving properties that might be suitable for affordable housing purposes?

MS. CASEY:

Yes.

D.P.O. SCHNEIDERMAN:

Particularly in downtown areas, you know, near shopping, near post offices, near public transportation.

MS. CASEY:

A-hum. I'm in regular communication with Tom Ruhle. And also Scott Wilson, who's the Town's Land acquirer. That parcel that you mentioned could yield two units for ownership, but it's too small for rental units. We can't get the economy of scale to make the development -- to have sufficient revenue to support a project there. Also, in East Hampton we have five school districts. Freetown is in East Hampton. All but two units of multifamily rental housing that have children are in East Hampton School District. Wainscott, Amagansette, Montauk and Springs have no multifamily rental units.

D.P.O. SCHNEIDERMAN:

There is a --

MS. CASEY:

So all of the children, the burden really is on East Hampton School District and that's --

D.P.O. SCHNEIDERMAN:

In Wainscott there was a proposal, right, on Stephen Hand's Path?

MS. CASEY:

U-hum, that's correct.

D.P.O. SCHNEIDERMAN:

Property that had been given without condition to the Town and where Child Development Center is and the ball fields are?

MS. CASEY:

The Town purchased it with general funds. It's not a CPF purchase. The development rights were not transferred off. They are speaking with a non-profit group that's hoping to build 40 something units of multifamily there, but they're getting opposition from the school district.

D.P.O. SCHNEIDERMAN:

In Wainscott?

MS. CASEY:

That's correct.

D.P.O. SCHNEIDERMAN:

Okay. I mean, wherever you propose affordable housing you're going to end up with opposition.

MS. CASEY:

I agree.

D.P.O. SCHNEIDERMAN:

Okay. All right. Is there any other questions?

MS. CASEY:

Thank you very much.

CO-CHAIR CALARCO:

All right. Thank you. Okay, moving on, I know that we have an elected official in the room. We try to give deference to our elected officials. Mayor Pontieri is here. Happens to be my mayor from Patchogue. Come on up, Mayor Pontieri.

MAYOR PONTIERI:

Good afternoon. Believe it or not I'm not here asking for money. So you can stop and --

CO-CHAIR CALARCO:

Legislator Hahn just jumped. She was surprised by that one.

D.P.O. SCHNEIDERMAN:

We're all ears. Go ahead, Mayor.

MAYOR PONTIERI:

You know, actually I'm here to say thank you to this body. Everybody says *Paul Pontieri, you did a great job in the Village of Patchogue*. But I don't think what people truly understand, I don't think this legislative body understands is how important you are to the Village of Patchogue to get us where we are. The affordable housing funds that were put into the Village created Copper Beach. Copper Beach, 50% affordable, and I'm supposed to say Jim Morgo's name three times, so if I say Jim Morgo, Jim Morgo, Jim Morgo, I've said it enough times. But when Jim was head of the Workforce Housing in Economic Development, he made a presentation for Copper Beach. Copper Beach, a) it's 50% affordable. An investment \$3.75 million, I think, it was from the County into that project. Paulte Homes came and built it.

What came after that were barbecues, a restaurant. The restaurants you see on Main Street, what brings that was the next one, was Art Space. Art Space, 45 units of affordable housing, 100% affordable. Around \$3 million from the County into that. What did that do? It gave us an identity. It gave us to marry somebody to the theatre. So now we're at arts and entertainment. Average age in Copper Beach is about 35-years-old; exactly what the plan was and exactly what you did for us; is you brought in that young adult on Main Street. It created the energy on Main Street to make Main Street work.

New Village: 30% affordable. Again, that young 25 to 35-year-old on Main Street creating energy, making things happen. It is extremely important to understand that you were a partner. This body is a partner in what happened in the Village of Patchogue. Take away those funds, then -- over the years have gotten downtown redevelopment funds to take care of walkways and alleyways.

So what you're looking at today is extremely important for everybody. Out of that around \$8 million that you invested in the Village came \$350 million worth of construction over the last ten years. That \$350 million, if I could put \$8 million in the bank today and know in 10 years I'm going to have \$350 million, not a bad investment. That was your investment. Your investment in the community was 8 million that turned into 350 million. And I'm telling you, most of that 350 wouldn't have been there without that initial \$8 million. That \$350 million when you begin to look at sales tax and construction costs and so forth, you made back your \$8 million. On that \$350 million, you take a look at some of the property taxes you're getting in on those properties, not great numbers, but enough to pay back that \$8 million. Your investment of 8 million gave us 350 million and gave you back your money in -- whether it be sales tax, property tax, usage fees, whatever it may be. Plus we built 155 units of affordable housing within the Village. Those 155 units are kids that are staying on Long Island, working on Long Island, being part of what that dream that we always talked about doing.

You know, one thing that developers need in projects like this is certainty. They need to know that money's going to be there whether it's a million dollars or \$2 million or whatever that number is to do the acquisitions of the properties and to build the affordable housing they want. It's certainty. It's not saying *well, we have this little bit of money this year, is there going to be money available*

next year? Is there going to be money available three years down the road? You need a pot of money that people can look at and say I want to buy this property for X number of dollars because there's a commitment in a year-and-a-half or two years to be able to get the funding to pay for that.

So, I understand, and I don't know the mechanics of how you do your business, but I don't think you can spread it out over a number of years. You need to put your money together so people out there, the investment community knows the commitment. There's a reason stuff happens in Suffolk County that doesn't happen in Nassau County; is because of the commitment of this Legislature to do what the right thing is. And I'm a firm believer Suffolk County will come out of the recession that we're in because of the commitment of this legislative body and their commitment to workforce and affordable housing. That's where it's going to happen.

So all I'm saying is thank you very much. Because you made the Village of Patchogue. You were the partner in the Village to make it happen. Because of a commitment of \$8 million that turned into \$350 million dollars. And that wouldn't have happened without that first large commitment by this body in 2004. I think it was only \$15 million, that I knew when I went to Art Space and I went to Copper Beach and New Village -- you know, I could look into the bank account and see, yeah, there should be funding there available. Not that I can make the commitment because it still had to come out of your body, but in conversations you're always very courteous, you're always very thoughtful, you always understood. And I know some of you were here and some of you weren't here, some of you worked for Legislators that were here so you were part of that decision, and some are just friends that I have. But when you drive down Main Street in Patchogue, take a look at what's there, understand the vital part that this legislative body made.

CO-CHAIR CALARCO:

Thank you, Mayor. Legislator Schneiderman has a question for you.

D.P.O. SCHNEIDERMAN:

Mayor, thank you for coming. And, yeah, I agreed with everything you said except for maybe one thing.

MAYOR PONTIERI:

That's the --

D.P.O. SCHNEIDERMAN:

The one thing is, and I appreciate you giving us so much credit but none of this would have happened without you. I mean, without leadership on a local level -- and I've known you a longtime from the beginning of those projects --

MAYOR PONTIERI:

Yes.

D.P.O. SCHNEIDERMAN:

And you are an advocate, you saw the future of Patchogue, you saw how it could be turned around and you got behind these projects. And we had a speaker a moment ago who was talking, you know, in East Hampton and how there's public controversy about, you know, not sure if it was going to move forward. Without that local partner, these things don't happen. And you were able to articulate that vision to your community, get people behind it. And now there are so many young people, are going to Patchogue. That's where it's happening. That's where they go out. That's where they want to live. You've created a really desirable community. And it's growing. And, you know, it's a real success story.

And sometimes when we talk, you know, we're always changing the name from affordable housing to workforce housing, whatever, you know, there's always this stigma that seems to be attached to it. And you, I think, are smashing those stigmas and showing that this is actually a vibrant place

that people want. It's a desirable community; not something that's not desirable.

And I gotta -- I gotta hand it to you. I think you've been a, you know, terrific advocate for your community and really are paving the way, showing the way for the rest of the County.

MAYOR PONTIERI:

I think it just -- it doesn't happen though. It doesn't happen -- without that initial, additional funding and be able to say to developers "we're partners in all of this" -- and we have known each other for a heck of a longtime. I really do appreciate the comments and support, but understand you're a big piece of it. Eight million brought 350.

D.P.O. SCHNEIDERMAN:

Thank you.

MAYOR PONTIERI:

Thank you very much.

D.P.O. SCHNEIDERMAN:

I'm happy to have somebody who we can -- you know, give those grants to, who can move these ideas forward. Because we all at the County level know how important addressing the housing issue is. And I know there was some other Legislators who wanted to talk, but Rob is the Chair, so.

CO-CHAIR CALARCO:

Mr. Mayor, we have a few questions for you. Legislator McCaffrey.

LEG. McCAFFREY:

Thank you. Mr. Mayor, first of all thank you to you and Legislator Calarco for dinner last night for myself and Mayor Brennan, you know, and better luck next year is all I can say.

But we did have a good opportunity to speak about economic development. And that was -- that was truly the purpose of it. And we appreciated myself and the Mayor of Lindenhurst about the ideas that we have for Lindenhurst. And I think we all benefited from that discussion we had. And we'd like to follow the example of Patchogue. And I know yourself and the Mayor know each other for a very long time.

So I just want thank you for sharing those ideas. And we look forward to working together with you and that economic development story, hopefully one that Lindenhurst will follow in Patchogue. And, of course, thank in advance my Legislators for -- and their support in our economic development efforts going forward.

MAYOR PONTIERI:

Mayor Brennan's a great man, he really is. And I know that his frustration is my frustration as he looked at how do we make this happen? And, like I said to him the other night, we're going to talk about a couple other things, is that anything you need, you know, if you need a voice at a meeting, I'll always be that voice.

CO-CHAIR CALARCO:

Mayor Pontieri's a very humble man but he loves to show off. So if anybody ever wants to come to the Village and see what's happening in Patchogue, he'll be more than happy to take you around for a tour.

MAYOR PONTIERI:

Exactly.

CO-CHAIR CALARCO:

Legislator Cilmi.

LEG. CILMI:

Thanks Mr. Chairman. Mayor, how are you today?

MAYOR PONTIERI:

Very good, sir.

LEG. CILMI:

I have -- I have had the pleasure of eating dinner on several occasions in your -- on your Main Street there and enjoyed myself every single time. So thank you for that. And certainly it's hard to argue that Main Street in Patchogue hasn't come a long way in the past, you know, several years. But I had some questions with respect to the housing development that we're talking about that's in your Village there. How many units are there in that general vicinity there on Main Street?

MAYOR PONTIERI:

We have 291 in the New Village development.

LEG. CILMI:

Okay.

MAYOR PONTIERI:

Then you have Copper Beach, which is 80.

LEG. CILMI:

Eighty in Copper, okay.

MAYOR PONTIERI:

You have Art Space which is 45. You have Seacrest Village which was started before I came, which is an apartment right next to Art Space and Copper Beach, which is 48. And you had the Riverwalk, which is Mike Kelly's development on the old Clare Rose property, which will be 163.

LEG. CILMI:

Okay.

MAYOR PONTIERI:

So you got the better part of 500 units.

LEG. CILMI:

Right.

MAYOR PONTIERI:

Walking distance. Both the train and the downtown.

LEG. CILMI:

I would imagine, because each one of them sort of was built at different times more or less, let's just talk about the New Village.

MAYOR PONTIERI:

Yes.

LEG. CILMI:

And recognizing that it may be somewhat different than the others.

MAYOR PONTIERI:

Yes.

LEG. CILMI:

What's the -- give us sort of a thumbnail sketch of what New Village is in terms of how many are affordable, how many are not affordable, how many units are occupied, how many aren't occupied, etcetera.

MAYOR PONTIERI:

Well, it's 291 units, 67 of those units are affordable. The -- there -- my understanding is, Bob and Jim Coughlan are here, and I may -- I don't think I'm speaking out of turn, but I think there are about 201 out of the 291 that are -- are now occupied. It has 300 parking spaces underneath the building to accommodate the residents. It has 45,000 square feet of new retail space and about 20,000 square feet of office space. Office space is all taken. About a third to a half of the retail space is being -- is either leased and/or occupied at this point in time. It --

LEG. CILMI:

How much of the office space did you say --

MAYOR PONTIERI:

One hundred percent of the office space is --

LEG. CILMI:

And how many square feet was it?

MAYOR PONTIERI:

Twenty thousand square feet.

LEG. CILMI:

Twenty thousand, okay.

MAYOR PONTIERI:

Yes.

LEG. CILMI:

And you said that the office space is almost all occupied.

MAYOR PONTIERI:

All the office space -- I'm pretty sure -- there might be a small office but --

LEG. CILMI:

You said a third to a half of the retail space is occupied.

MAYOR PONTIERI:

You really have to ask Bob and Jim.

CO-CHAIR CALARCO:

Yeah, we have -- both Bob and Jim Coughlan are here who are the developers from Tritec. They're the principals there and they probably, not to put the Mayor on the spot, they're probably going to be able to speak a little more to it and they have cards here so they'll be speaking in a little bit.

LEG. CILMI:

Okay, I'll save my -- the deeper questions for that, then.

MAYOR PONTIERI:

But that development itself and that project -- and it always amazes me sometimes, it's better than

a hundred million dollar project in the Village of Patchogue. That always surprises the hell out of me, that someone's going to spend that kind of money in a village like Patchogue. But it really -- and the quality of the construction, this is taking away from them saying that the quality, whether it's the hardie board, whether it's granite -- granite countertops or it's stainless steel, whether it's the security measures taken within the building itself that you can get into certain sections of the building, all bring to it that sense of quality and the new-age kind of the living that people do.

LEG. CILMI:

Sure. Can you speak generally about the occupancy in the other developments, the Copper Beach, Art Space, etcetera?

MAYOR PONTIERI:

Copper Beach was full the day the last building was built.

LEG. CILMI:

Okay.

MAYOR PONTIERI:

Art Space they had a list of about 150 people because it was all called affordable. Now the Long Island Housing Partnership did these various projects. The Riverwalk, which is about 60% done at this point in time, those buildings that can be occupied are either under contract to be occupied or occupied at this point in time. And I don't know the total number of -- on the occupancy but --

LEG. CILMI:

Okay.

MAYOR PONTIERI:

Because with COs, with checks.

LEG. CILMI:

Okay, okay. I'll save the rest of the questions, then, for the folks from --

CO-CHAIR CALARCO:

Yeah, they've been building the Riverwalk more or less as a -- you know, he doesn't start a building until he has his other buildings filled up. And he's been constantly working for the last year-and-a-half, so.

MAYOR PONTIERI:

Yes.

CO-CHAIR CALARCO:

So I'd imagine he's selling them as quickly as he's building them.

MAYOR PONTIERI:

That's been the strength that he -- it's not one of these things where he built the thing out and all of a sudden it's empty. He's building it out as he fills it up. So it works well both on the financial side for him and for us we don't have empty buildings sitting there.

CO-CHAIR CALARCO:

And that one happens to be a full market rate, private development, no County investment in that particular project.

MAYOR PONTIERI:

I think there were -- in that they have four affordable units in --

CO-CHAIR CALARCO:

That's probably as per State law.

MAYOR PONTIERI:

New age, whatever it is.

CO-CHAIR CALARCO:

Great. Mayor, thank you very much for being here.

MAYOR PONTIERI:

Thank you.

CO-CHAIR CALARCO:

Oh, Mr. Mayor, one more question. Legislator Lindsay.

CO-CHAIR LINDSAY:

Okay. Good afternoon, Mr. Mayor. Someone who frequents Patchogue, I love the Village. And it's just amazing to see the transformation from the time when I was a kid, we used to go to Swezey's Department Store to what it's become today. My question for you is on the demographics of the people that are moving in, I know you said the average age is 35, are you tracking the number of kids or children that are coming in; school-age children?

MAYOR PONTIERI:

You know, in Copper Beach, there are very few. Believe it or not there were more in Art Space than there were in Copper Beach. But, you know, what's interesting about the school? And this is just -- the school district issue never bothers me because, as I was always put it, I would hate to live in a community that doesn't have a Little League. If we spend as much time as we spend saying what's it going to do to the school district, what's it going to do to the school district, eventually your Little League fields are going to become dog parks because -- and my hope is, and sometimes in Bob Coughlan always says, you do things in your own divine self-interest. My self-interest is, is that one of these young families is going to move into either Copper Beach or New Village at a point in time when I'm -- they're going to have kids at the same point in time I'm looking to sell my house; that if we become so restrictive and say we don't want kids in our community, there's going to be nobody buying anybody's house. And so I don't even track it to the point of worrying about it because I think it's the school district's responsibility to educate kids. Mine is be the part of building a community. Because if that was the case, I'd have Calarco leave town tomorrow because his wife's due in three days, second kid.

CO-CHAIR LINDSAY:

And I agree with you, Mr. Mayor. And, you know, part of it, I think, is the misperception. Somehow over the years we've demonized families with children.

MAYOR PONTIERI:

Absolutely.

CO-CHAIR LINDSAY:

And I'm not sure how that happened and why that happened. But there seems to be great misperceptions that if you have a two-bedroom apartment, you're going to have two kids that are going to come along with it. And I think a lot of those misperceptions have added to what's already a big problem that we have here in the County.

MAYOR PONTIERI:

But even if -- let's take the Tritec, 291, let's say you have 30 kids in it, and you don't, you won't have 30 kids in there, that's 30 kids spread over at least six or seven or eight grades that -- that's

three kids per grade. If you can't figure out where to put three kids per grade, you know, your problem in the school district isn't just financial; it's also management.

And you're right, we demonize families; we demonize that we don't want them. And I think that we have to take a stronger position to say, wait a second, communities are about kids. They're about having families live in your community. And, you know, like I said, at some point in time my hope is that somebody in Copper Beach, or somebody like Rob grows out of his house, he's looking for a bit larger house, and I'm the guy looking to sell it. You're going to look at some -- you're going to look at some communities that have played that *we don't want kids* with a lot of big homes without a lot of kids on the street.

So I think it -- this affordable housing fund that you put in place is somewhat the answer to that question. You know, those communities that understand that being a community isn't just about the house that you live in, but it's about the neighbors, it's about the schools, it's about all of those things. And the young families that come into town -- you know, we just received from a private foundation a \$5 million grant to redo our parks. Because Norman {Letcher} who was the Mayor when I was appointed trustee in 1986, believe it or not, said to me *as goes the downtown goes the residential; and as goes the residential goes the downtown*. You have to take both -- care of both sides of that -- that coin.

So affordable housing does that. Because it supports the downtown by bringing young families in, but it's in your residential where you create your residential areas. And this \$5 million grant is going to the parks. We're going to put \$5 million into upgrading our parks. And it's about taking care of the young families and wanting people to come into towns, so -- whether it's money for affordable housing, whether it's money for parks, whether it's money for infrastructure, roads and so forth, it's extremely important that we understand that -- that dynamic. And, like I said, when we first started with Copper Beach -- not Copper Beach, but New Village, Pearl Kamer, who's passed, went with us to the school board and spoke to them about it. And we were very upfront about what the economic impact would be. But what school districts forget is the economic impact isn't just kids coming into school, but it's the tax dollars you create by creating the housing that you create. It's a multiple of things. And, like I said, I -- I just believe -- I want to have a Little League.

CO-CHAIR LINDSAY:

Thanks, Mr. Mayor. I appreciate your comments.

CO-CHAIR CALARCO:

Thank you, Mr. Mayor. And I'll tell you, it is -- I said this at the groundbreaking or the ribbon cutting, actually, for Tritex, if you really want to see the success after we get done with the downtown, we'll take you down to the neighborhoods and show you all the houses that have cleaned up and shaped up and -- where you have those young families that have moved into the residential neighborhoods as well. It's really part of the success of this story.

MAYOR PONTIERI:

Just one other second, we're a very diverse community. We've had issues over the years, as many of you know. But the best part about the community is, is we're 30% minority Hispanic. We don't have a Hispanic neighborhood. We have a diverse community. And I think that that is the other strength that comes out of this. Within Copper Beach, there were three or four families, Latino families, that were part of the lottery that were within that group. So it not only creates the housing that you need, but it creates the level playing field for all of those that are able to meet the criteria to have that opportunity.

CO-CHAIR CALARCO:

Thank you, Mr. Mayor. Okay. Back to our cards. Our next speaker is Tom Ruhle. Tom?

MR. RUHLE:

My name is Tom Ruhle. I'm the Director of Housing for the Town of East Hampton. I've been Director of Housing since now Legislator Schneiderman appointed me to that position, about 11 or 12 years ago.

I'm here to speak in favor of the allocation of -- well, what the County Executive has proposed for 8404, the acquisition of land for workforce housing; and 6411 infrastructure improvements for workforce housing.

Many of you hear about East Hampton you think about the wealthy Hamptons that have been immortalized on television. I'm here to tell you that East Hampton has the second highest poverty rate in Suffolk County amongst its year-round residents. So the affordable housing issue is important to us as much as our reputation may be for other things.

We have an excellent working relationship with the County offices of Economic Development, Community Development, Workforce Housing. With the Health Department expediting our applications, we, in fact, have an application in front of the Health Department right now to build affordable condominiums for the first time in East Hampton that are disguised as single family homes. The Town and the County and the State and other agencies have had a working relationship over the last 20 years to preserve open space. And the CPF on the East End has -- East Hampton Town has contributed a quarter of a billion dollars towards not building on property. So those are listed are -- in community development and affordable housing are looking to -- to put together the same partnerships to build affordable housing to house those people who cannot afford, in our case, the middle class to live in a community where the median house price is now over a million dollars.

You know, people say Detroit has wonderful, affordable housing but no economic opportunities. We have wonderful economic opportunities; we have a beautiful County; we have a County that's wealthy. Unfortunately not everyone can live here and our young people and our middle class are in some ways moving away. The service industry is -- those jobs are being filled by people who are consigned to living in what might some cases be called substandard and unappealing, overcrowding situations. They crowd neighborhoods; they create problems.

So I'm here to ask the County to include the proposal made by the County Executive to put money back into the infrastructure program and the land acquisition so that we can partner, as we have in the past in East Hampton, home money and other programs to continue to build affordable housing. And I thank you for your time.

CO-CHAIR CALARCO:

Thank you. Any questions? Okay, thank you very much. Our next speaker is Marianne Garvin. Good afternoon, Marianne.

MS. GARVIN:

Good afternoon. I'm Marianne Garvin, President and CEO of Community Development Corporation of Long Island. I thank you for the opportunity to speak with you today and for your long time support for affordable for-sale and rental housing for people seeking healthy homes in Suffolk County. Your leadership in this arena is to be commended.

Suffolk County's investment in housing is leveraged with Federal, State and private capital and stimulates economic activity locally. Your investment not only provides housing for residents, but also is critical in revitalizing neighborhoods.

CDC LI has been fortunate as a recipient of acquisition funds for our Cottages at Mattituck Development, which provided 22 for-sale homes for workers on the North Fork who had been priced out of the market. Teachers, marina workers and municipal workers were all assisted in that development. CDC LI has also had County support under the infrastructure program for our mixed

use, mixed income development known as Wincoram Commons, which is currently under construction. This will provide 176 rental homes for working people.

CDC LI also has two additional downtown transit-oriented projects under development: One in Riverhead and one in Copiague. It is projects like these and others around Suffolk County that are made possible by the funding provided by the County.

I urge you to support the County Executive's Capital Program for 2016 through 2018 that proposes additional funding for workforce housing for the Capital Program 6411, which is the infrastructure; and Capital Program 8704, land acquisition. We are fortunate to have many active housing developers working to increase the supply of affordable housing and local governments that are granting zoning approvals for viable projects. The Suffolk County fund demonstrates the significant local commitment which leads to bringing the Federal, State and private capital to our County. Please continue this great public policy.

CO-CHAIR CALARCO:

Okay, thank you very much. Does anybody have any questions for Marianne? Seeing none, thank you very much, Marianne. Our next speaker is Jim Morgo. Jim, come on up. I'd list all of your former titles but I'd probably miss one and probably the one you care about the most, too.

MR. MORGGO:

Good afternoon everybody. Because I was always taught to listen to my elders, I want to make sure that I emphasize that I agree with everything that the Mayor of Patchogue said. (Laughter) The -- and I have had many former jobs. And some of them had to do affordable homes as well.

I want to go very quickly a history of housing programs in Suffolk County because I think it's illustrative. Illustrative is a word that the late, great John Foley used to use up there when I was there; he would say it was very illustrative. But I think this is illustrative. Before 1986, Suffolk County depended mostly on HUD and HUD programs like Community Development Block programs, 202 Housing, a lot of other programs. And the problem with that was, is that HUD looked at the suburbs, urban areas, rural areas as all the same. They had an idea that one size fit all. And we know housing in cities and in rural areas is very different than housing in the suburbs.

Back in 1986 the Acting County Executive LoGrande, as well as the Legislature, began the 72h transfer program that I think somebody talked about when I was coming in here. Because they realized that the most expensive element in creating affordable homes on Long Island in Suffolk County was the cost of land. So you all know how 72h works and you know the importance there.

Then in the early 2000s under County Executive Gaffney and the Legislator, that program was expanded to a bonding program, a Capital Program, where land was actually purchased by the County to be used for affordable housing. And then in 2005 the Workforce Housing Commission was convened. It was about 25 members. The heads of municipalities, Legislators, not for-profits planners -- Jay Schneiderman was one of the Legislators who served on that. And what -- the important thing, the good thing that Suffolk County has done that is reflective of the way things are is it's not static. It's not rigid. Things change. A certain amount of flexibility was necessary.

For example, when we started talking about housing way back in the '80s, we looked at homeownership almost by itself. Because Suffolk County was a place where the homeowner was king and everybody wanted to be a first-time home buyer. Demographics have changed. Family styles have changed. People are marrying younger, have fewer kids. So now the programs -- did I say younger? Yes, people are marrying older. I did, but it was my second one. But anyway, the need for rentals is part of the program now and it fulfills. It not only does for-sale homes and it -- it also does rental homes, the program.

The thing that the Workforce Housing Commission realized, though, was not only was land incredibly expensive, but infrastructure was incredibly expensive. And if you were going to have any density,

you needed the most expensive element of infrastructure and that's sewers. So the infrastructure program where -- another Capital Program, and was set aside, that there would be five million a year bonded for a three-year period and then extended.

When the first program started was, some of you remember Marion Zucker, who brought the program forward. Then Jill Rosen-Nikoloff, etcetera (laughter) was hired. And I have to say, I've had two great hires in my career. One was Peter Elkowitz at the Housing Partnership. The other one was Jill. And Jill has made sure that the program has created real homes for real people.

Paul mentioned the idea of return on our investment. One thing I would urge you all to do is visit the homes that were created because of your program and meet the young people who live in them; know what you've done. And, of course, the economic return is there as well.

The thing about the infrastructure program, and I don't want to repeat everything that the Mayor said, but developers need certainty. And if you think of the infrastructure program where there was the suggestion that it be only funded at two-and-a-half million for one year and then nothing in the next year, '16 two-and-a-half million, nothing in 2017, if you've ever been involved in building a development, particularly that is not sewerred, and you want it to be affordable, you know that \$2.5 million is probably enough for one STP in about a 40-home development.

So it's important that you continue this. As I said, and I already see I went over my time, but I've been involved in these programs both as a not-for-profit developer and as a County administrator. They work. They create real homes with real people who have to buy things for those real homes. And, by the way, a rental is a home every bit as much as a for-sale home. So it's a great program. And if you've ever looked at any of the studies, it generates and throws off much more that's invested in it.

By the way, quickly, things -- speaking of studies, take a look at all the studies that measure the number of children who are generated by attached homes. It is incredibly few. They're always tax -- always tax positive for their school districts. I don't mean to say anything against children. I have now 13 grandchildren, if anybody's in the market (Laughter). But anyway, the thing is, I agree with all of that as a former teacher. I've had a lot of jobs. But attached homes, condos, co-ops, rental apartments are always tax positive for their school districts.

CO-CHAIR CALARCO:

That's called growing your tax base.

MR. MORGO:

Excuse me?

CHAIRPERSON CALARCO:

That's called growing your tax base.

MR. MORGO:

That's right. Exactly. All right, thank you very much.

CO-CHAIR CALARCO:

Jim, before you go, Legislator Schneiderman has a question.

D.P.O. SCHNEIDERMAN:

I'm not sure a question, but, Jim, thanks for coming out. And also thank you for all your years of being an advocate for housing. I remember maybe 16 years ago when you gave a speech out in Sag Harbor, when you were with Long Island Housing Partnership and you were talking about the complexities of building housing then with NIMBYism and not-in-my-backyard. And it's the first time I heard a new expression called BANANAs: Build absolutely nothing anywhere near anyone. Right,

so that was a -- we still fight the misperception of housing. But I wanted to thank you for all those years at Long Island Housing Partnership and all those years at the County. I know you were on this side of the horseshoe at one point but -- in Economic Development and with the, you know, prior administrations. Like Mayor Pontieri, these things would not move forward without leaders like yourselves, so.

MR. MORGO:

Well, thank you. And yourself obviously. And maybe because I'm not in the trenches anymore in actually building affordable homes, I do sense, Jay, that the opposition has lessened to a degree probably because there's Patchogue. And you can show models, and not just in Patchogue, there's Bay Shore, they're all over, Marion, Mattituck. There are real homes where real people live. And they were built at and sold or rented at affordable rates. And you can actually see them and see that they improve, enhance a neighborhood. They don't hurt the neighborhood.

D.P.O. SCHNEIDERMAN:

And I think what we're seeing with younger people, too, is that they want to live in downtowns. They want to live where they can walk to transit. That's what they desire. It's kind of like a return to the old model.

MR. MORGO:

That's right.

D.P.O. SCHNEIDERMAN:

Where everything started with hamlets and now it's -- you know, went to the suburban sprawl. And now it's coming back to hamlet centers. People want that, you know, the vitality of the downtown. They want to be able to go to a cafe and, you know, whatever it is, you know, to meet other people, to socialize, go to art spaces, all those components, walkable downtowns and the -- it's become desirable again. But it's -- there's many challenges in returning to that model. And I think Patchogue is a great example of how it can be done. We can revive our downtowns. They don't have to be boarded up stores like we see in too many areas, whether it's downtown Riverhead, Riverside or many other places, the old Patchogue.

MR. MORGO:

U-hum.

D.P.O. SCHNEIDERMAN:

So, thank you.

MR. MORGO:

Thank you for your time, too.

CO-CHAIR CALARCO:

Thank you, Jim. Okay, our next speaker is Peter Florey. Mr. Florey.

MR. FLOREY:

Good afternoon. Peter Florey. I'm a managing member with D & F Development. And I'm here to speak in favor of County Executive's Capital Program 6411 for infrastructure and the Capital Program 8704 for land.

We at D & F Development along with the Long Island Housing Partnership recently closed on a 118-unit workforce housing project in Melville, one of the first affordable housing projects in Melville in decades. And we did so with the use of a million 750 in acquisition funds from the County. This project generated, it's a three -- \$35 million project and the acquisition funds helped leverage the additional funding that made this project possible. Without the funding from the County, this project would not have moved forward.

So I'm here also to say that we understand that the County Executive has recommended five million in 2016; five million in 2017; and 2.5 in 2018. And that the Budget Review Office has cut the -- that request in half for 2016; zero in 2017; and 2.5 in 2018.

Let me tell you a little bit about why it is so important in addition to having this necessary -- filling the funding gaps, a lot of the funding that we receive comes from New York State, whether it's Housing Finance Agency or Homes and Community Renewal. And they have -- also have scarce resources to distribute throughout the State. And so when they vet projects that are seeking funding, they look at what is the commitment from the local area that the project is coming from? And if they're seeing nothing, they are very likely to move on. And I think my colleagues here in housing will attest to this, they'll move on to other projects where the localities are putting their money where their mouth is and putting funding up.

So it is very critical that we not only have this, these funds to fill the gaps, but also to demonstrate to the State that there is this commitment from the localities. Thank you very much.

CO-CHAIR CALARCO:

Thank you. Any questions? Seeing none, we're going to move on to -- our next speaker is Jay Korth.

MR. KORTH:

Good afternoon. I'm Jay Korth with Catholic Charities which has developed over 1300 units of affordable housing for low income seniors and individuals with disabilities and special needs at 16 sites on Long Island, 9 of which are in Suffolk County. And you don't need me to say to this legislative board that Suffolk is a great and world renown County, but we're underserving our seniors and we're losing our youth and our workforce to a brain drain. That is why we come to speak in support of the County Executive's proposal for 6411 infrastructure and 8704 land acquisition.

Catholic Charities knows first hand how difficult it is in our high cost areas to break ground on affordable housing projects without leadership from government. So it's especially gratifying at a time of gridlock in Washington and Albany to see something noble and significant potentially happening here. And we're in support of that.

The not-for-profit community is ready, willing and able to be a partner in this venture. We have the experience to take on the risks of running and operating such housing sites, but we can't do it alone. Together we can help meet the desperate needs for workforce housing in this County and we enthusiastically support the acquisition and infrastructure funding. And I'll simply conclude by offering with great respect to the Legislator that housing is expensive. And to do something significant requires a very significant investment. But Capital Programs such as this truly are an investment in our future and we ask for your consideration. Thank you.

CO-CHAIR CALARCO:

Thank you very much. Okay. Any questions? Moving on, next speaker is Ralph Fasano.

MR. FASANO:

Good afternoon. My name is Ralph Fasano. I am the Executive Director of Concerned for Independent Living and I'm here to support the County Executive's request for funding for 6411 and 8704.

Last year about this time we opened up Liberty Village in Amityville, a home for homeless veterans and their families. And, you know, a number of speakers have talked today about the County's input and -- that being the catalyst for these projects. And if you really want to see what you have helped develop and really get some satisfaction, please visit us, 600 Albany Avenue and tell them I sent you and you can get to see some of the veterans there. It's really a very joyous thing to see

veterans from all of the different conflicts going back to World War II. We have a 94-year-old veteran and Korean War, Vietnam, current conflicts, to see everyone come together and really have a home. And this project was supported by the community, by this local civic association. And we're developing two more projects with your funding, one in Ronkonkoma and one in Middle Island. Both of those also received support from the civic associations.

I want to emphasize what Peter said before about -- and the Mayor about your funding giving us the ability to leverage other funds. So these three projects cost Suffolk County \$3.75 million. We have leveraged over \$80 million from other sources. And one of the things that Peter talked about was how competitive it is to get these other sources of financing and how it's almost impossible now to get these sources without local support. It used to be that if we got letters from you supporting the project, that was kind of good, good, that was enough. Now, if there's no funding in it, we're not going to be able to compete. So that \$80 million that we're bringing into the County, because of the \$3.75 million support from you, was very -- very instrumentally your support in making that happen. And in bringing the \$80 million, you know, we're providing jobs for the community, for the construction community and post construction when we inhabit.

The other thing that really is a plus when the County is involved, these projects are very difficult to develop. They're very time-consuming and very bureaucratic. And we need as much help as we can get. When we get your money, we get Jill as part of our development team. And I cannot tell you how important that is in helping us move things along and actually get things done. Jill is a person who can get things done. And as developers we really appreciate that. And we appreciate your support and we encourage you to come out to visit our site. Thank you.

CO-CHAIR CALARCO:

Thank you very much. Legislator Trotta has a question for you.

LEG. TROTТА:

You said that our \$3.7 million brought in \$80 million.

MR. FASANO:

Correct.

LEG. TROTТА:

Can you explain to me where the \$80 million came from?

MR. FASANO:

So the -- New York State Housing Finance Agency, the New York State Homes and Community Renewal, the New York State Homeless Housing Assistance Program and HUD.

LEG. TROTТА:

It's just -- I sit here, I'm listening to this thinking we're spiraling out of control borrowing money. We've created such a tax -- tax is so high here that we can't build anything new without the government subsidizing it. It's just sad.

MR. FASANO:

But it's important that we be able to bring these funds into our County. Because as Peter was saying, other counties are competing for it so why shouldn't we do that to bring these funds? And it's not all debt. A lot of it is grant money.

LEG. TROTТА:

Well, where do you think the grant money comes from? The taxpayers. It's spiraling to the point where builders can't build without being subsidized. I mean, the whole free market system is, you know, essentially collapsing in front of us here.

CO-CHAIR CALARCO:

Okay, thank you very much, Mr. Fasano. That's a debate we can have later, Legislator Trotta. We're going to get through our cards at this point in time.

Next speaker is Joseph Sanserverino. Joe.

MR. SANSEVARINO:

Good afternoon. I'm Joe Sanseverino. I'm the Assistant Vice President of the Long Island Housing Partnership. I've heard quite a bit from everybody here. We got some of the prominent housing developers, non-profit organizations in this County coming here to talk about a program that has been instrumental, key ingredient in developing affordable housing, workforce housing on Long Island. It's been quite successful. And you heard some of the reasons.

I just wanted to quickly say from the partnership's perspective, we're close to developing over about 500 units of housing through this program over the years that we've been involved with, whether it's dealing with private developers who bring private money into the deal -- I mean it was mentioned about the leveraging that goes on. It's not just leveraging of Federal and State grants. It also brings in a lot of private money, banks, lenders, looking for projects that are going to work. And the reason they're going to work is because we have other funding sources in there.

As Ralph mentioned, the States and the Federal government, when they look at projects, they want to see a commitment from the local government. It's nice to have a letter. It's much nicer to have that financial commitment. And we can bring those grants to banks and get financing also from the private sector. So a lot of the money on a deal is really private money that comes into this County and helps to create jobs, construction industry jobs. You have people shopping, as you heard the Mayor say, in downtown Patchogue where we've created restaurants as a result of this, entertainment centers. So it's a real plus to have a program such as this available.

The other issue that was brought up by the Mayor I thought was very interesting also, and I've seen this in dealing with Federal grants through the years, it's nice to know when you've got a program like this, that it's going to be around for a couple of years, three or four years, that the funding is available. Because when you put a deal together on Long Island -- and there is multiple financing that goes in to doing that as well as time constraints and getting approvals. And if you're a developer and you're looking to develop something, you want to know that there's going to be funding available for you to do a project.

So a consistency of this program providing funding over a period of time is a major -- major importance in getting things down. And this Legislature has been supportive since the time when I was at the County in developing these programs. And we have had this program for years now and it has been proven to be one of the most successful programs in housing around. It's got national recognition actually. So it's something that you should be all proud of. And I know from the standpoint of Long Island Housing Partnership, we are very pleased of the way that this program is operated currently and in the past. And we're looking forward to doing more with the County Legislature and the County Executive's Office in developing housing that is so needed here.

So, once again, on behalf of the Partnership, thank you for your support on this and I would hope that you would continue to support the programs of this -- that the County Executive's putting forward. And any questions you would have, I'll be more than happy to answer them.

CO-CHAIR CALARCO:

Thank you, Joe. Legislator Lindsay has a question.

CO-CHAIR LINDSAY:

Good afternoon, Joe. Thanks for coming in and testifying today. I know we've spoken briefly in the past about the number of children that come in on -- based on some of these units. And the study that gets sent over and that we discussed is a little bit dated at this point. How would we be able to obtain updated information so that we put out accurate information as to what the communities could expect once these -- some of these larger products come on line?

MR. SANSEVARINO:

Well, the study that was done by the partnership was really rather involved. And it takes a lot of time to put something like that together to really get an overview of all the developments that are going on. I can say that recently I took a look at -- and these are single-family houses, 15 single-family houses that the partnership has been built in the last two years, let's say. There are about 15 school-age children that came out of that grouping, 15 homes. Of those school-age children, 8 of those school-age children already lived in the district where -- so they were buying a home within their own district so there was no impact.

So you really -- the impact overall on that school district was minimal. And when you spread it out amongst grades, you know, K through 12, it's not that big a deal for a lot of the school districts to absorb it. I'm not saying it works in every school district, but the impact is not as great as one would have you think.

CO-CHAIR LINDSAY:

And I agree there. And what I'm trying to ascertain is if we can poll some of these larger, more of the high density units, what we've seen. And if it would be possible even if it's an informal poll to go through, like Rockville Centre and Farmingdale, even in Patchogue, maybe, you know, through your contacts with the developers to go through there and see how many actual -- between the number of units and the number of children have come in.

MR. SANSEVARINO:

I'd be more than willing to take that back to our President Peter Elkowitz and our board.

CO-CHAIR LINDSAY:

I think it would be helpful, especially as some of these larger projects start to move forward, just to give the communities a point of reference that they can look at. Because I think the assumptions are incorrect, inaccurate. It's not what we've seen or what we've heard from these other communities or other projects. But at the same time it would be nice if we had some actual hard data that we can point to.

MR. SANSEVARINO:

We can certainly take a look at it. You know, as I said I'll bring it back and let you know if we can kind of do some sort of informal study even.

CO-CHAIR LINDSAY:

Thank you. I appreciate it.

CO-CHAIR CALARCO:

Yeah, thank you, Legislator Lindsay. That would be very helpful. In fact, Legislator Lindsay and I were both at something earlier in the year that {Betoid} was hosting regarding some of the projects they've had. They did a couple case studies regarding their project in Rockville Centre where they looked at some of these different developments and they talked about not only the number of children that were coming out of those developments, but the income levels and education levels of the people living in those units. And what -- how those even compared to the base in terms of the community that went into in the first instance. And I think that would be helpful information on all of these projects to take a look at.

MR. SANSEVARINO:

Sure. And one of the things to consider also is a lot of the developments, the multifamily developments that are being built, they are mixed-income developments.

CO-CHAIR CALARCO:

Sure.

MR. SANSEVERINO:

So you got a wide range of incomes in there. It's not just lower-income families going in there. There is a mix of incomes there.

CO-CHAIR CALARCO:

Yeah, absolutely. Okay, thank you, Joe.

MR. SANSEVERINO:

Thank you.

CO-CHAIR CALARCO:

Our next speaker is George Aridas. George.

MR. ARIDAS:

Good afternoon. My name is George Aridas. I represent the Albanese Development Corporation, the master developer of Wyandanch Rising. Much of what -- the points I would cover were covered by Mayor Pontieri. I would ask that you think about two of the things that he said: One that this -- the funds, and I am speaking in favor of Capital 6411, the infrastructure funds, which should be viewed as an investment because of the cyclical and leverage nature that those monies get to be used for.

And the other is to address the -- the lack of rental housing of any affordable nature to any of the levels for our young people on Long Island. Because we are losing them because of a lack of affordable housing. And I use "affordable" not as a noun, but as a -- as an adjective just to be able to afford to live on Long Island as a young person.

I will take a few minutes to talk about the project that we have in Wyandanch and how important the funds were that we received for our first 9% tax credit program; a very competitive program. It's been discussed that these funds are looked at as the -- as the local match by the State and their competitive evaluations. The monies that we received from Jill and from the County -- not Jill personally but from the County, were leveraged 22 to one. So we received \$1.7 million on a \$38 million project. It is a mixed-income, four bands of incomes including market and including addressed at the demographic with few children and young people looking for their first place to live. We have in that project, half of the monies in the project are either private developer equity or loans guaranteed by the developer. So this is not just all done with grants or with public debt. I would invite you to come to Wyandanch. The first building is open. It is occupied. The second building is well into construction. And what you see coming out of that, very important in terms of how you see your investment in those funds.

We are now looking at a third building, which would be a commercial building, which will bring jobs to that community. We are looking at a fourth building; will be an arts building. So this is all started with the seed money in nine sources that were used to construct the building -- nine funding sources all dependent upon each other. It's easy to look at small amounts and say that they can't have that impact. But when all of those sources are looking to each other and you're trying to make that balance at closing, it is very important to have that seed money.

So I would speak much in favor of steady funding because to do a development project takes a couple of years to design and get it going. And to have funds and then no funds and then funds, so I would look for you to take a look at a full four-year commitment, add in as much funds as you can.

Well, I would go beyond what the County Executive had proposed.

CO-CHAIR CALARCO:

Great. Thank you, George. Any questions? Legislator Cilmi.

LEG. CILMI:

Did you guys have to pay impact assessment fees with your development?

MR. ARIDAS:

We did not pay impact assessment because of the window when the sewers first came in. We will on future projects because that five-year window will be gone.

LEG. CILMI:

Well, explain that. I'm not sure what -- what that means.

MR. ARIDAS:

The -- by impact assessment, I'm interpreting that as the cost to hook into the original -- to the sewers that were constructed. Is that --

LEG. CILMI:

No. No, no, no. Usually when -- when somebody's building something in Suffolk County there is -- the County Department of Public Works, as part of the permit process, will charge what's called an impact assessment fee. And the purpose of the fee is to sort of compensate the County for the impacts to infrastructure that the development will theoretically create as a result of increased traffic, etcetera.

MR. ARIDAS:

We did not pay those fees.

LEG. CILMI:

Okay. Did you pay -- do you know if you paid any of those types of fees to the Town of Babylon?

MR. ARIDAS:

We paid fees to the Town of Babylon related to the development and related to building permits. And we'll be paying the normal fees in terms of the utilities.

LEG. CILMI:

Okay. And how are you doing in terms of the occupancy of your -- of that first building? You said it's occupied. Is it fully occupied or --

MR. ARIDAS:

The building is 85% residentially occupied at this point including the market units.

LEG. CILMI:

Right.

MR. ARIDAS:

The retail is moving forward. I think there was -- as part of the impact that a development of this type has on the community, there was even an article today in Newsday about the Roslyn Branch coming in and the impacts that that will have, the positive impacts that will have on the businesses in the area that will now have a bank in the area, which is very important in terms of --

LEG. CILMI:

Sure.

MR. ARIDAS:

-- capital for their groundwork.

LEG. CILMI:

Right. The one-bedroom units that are in your facility that are occupied, what's the -- that are affordable, quote unquote affordable, what's the rent on those?

MR. ARIDAS:

There are three bands of affordability on one bedroom. So they'll go from about 975 for a 50% AMI up to about eleven, twelve hundred dollars for a 90 percent area median income, some -- a band in that range.

LEG. CILMI:

Okay. And what about the market rate?

MR. ARIDAS:

The market rate for that unit would be 1550 to 1625.

LEG. CILMI:

Okay, thank you very much.

CO-CHAIR CALARCO:

Okay. Legislator Lindsay.

CO-CHAIR LINDSAY:

Good afternoon. Thanks for coming in giving us your testimony today. So the 1.7 million you received from the County brought in or was -- enabled another 38 million. Is that private investment?

MR. ARIDAS:

The total project was 38.9 million. So the 1.7 produced another 31.2.

CO-CHAIR LINDSAY:

Okay. And that's --

MR. ARIDAS:

37.2.

CO-CHAIR LINDSAY:

That was private investment. That wasn't Federal grants or State grants?

MR. ARIDAS:

That was a combination of private investment and tax credits, which is also private investment from an investor; and some State grant money. Most of it was private.

CO-CHAIR LINDSAY:

Do you know the size of the scope of the additional projects that have been proposed at this point?

MR. ARIDAS:

The second building under construction is a \$38.9 million project that had similar funding sources. It was -- it was bonds instead of construction. But, again, it's guaranteed by the developer. The third project the office building is a \$39 million 105,000 square foot project. So that would complete -- complete the first three buildings. And then after that we're in plans and in discussions.

CO-CHAIR LINDSAY:

And do you have any idea as to what the anticipated tax base will be once these projects are completed?

MR. ARIDAS:

The buildings do receive a pilot. But the monies paid even today in taxes are greater than what the Town was receiving on those sites in the prior use.

CO-CHAIR LINDSAY:

Okay. So just doing really quick math rounding up some numbers, it's roughly about a \$6 million investment which will bring back, say, over \$100 million in private investment?

MR. ARIDAS:

At least, yes.

CO-CHAIR LINDSAY:

Thank you.

CO-CHAIR CALARCO:

Great. Thank you very much, George, for being here. Our next speaker is Diane Burke.

MS. BURKE:

Good afternoon. I'm Diane Burke. I'm the CEO and Executive Director of Habitat for Humanity of Suffolk. I just want to first say thanks for having us here today. And also thank you for those of you that were able to come to our breakfast. You got a chance to see how we put into action what you -- how you support us and how we put that into action.

For those of you who weren't there, I brought this book. You can pass it around. The book is a document that we put together to show you what we've done in our first 25 years and what we hope to continue to do here in Suffolk County where right about 180 affordable homes that we've provided folks in Suffolk County to our affordability factor, some of the questions you've asked other people. We promised our partners that their mortgage, taxes and insurance will not exceed 30% of their income. So we don't calculate the affordability based on anything except that we promise it won't be more than it cost us to build. And if it needs to be further subsidized, we subsidize that with private donations and create the affordability factor of 30% or less. And we couldn't do it without you so I really appreciate it.

CO-CHAIR CALARCO:

Thank you very much, Diane. Does anybody have any questions for Diane? Thank you very much. You guys do great work.

CO-CHAIR CALARCO:

Okay, our next speaker is Jonathan Keyes. Jonathan.

MR. KEYES:

Good afternoon. My name is Jonathan Keyes. I'm the Director of the Office of Downtown Revitalization for the Town of Babylon. Most of the important points, I think, here have already been said today, but I am speaking in support of the County Executive's request for funding for acquisition and infrastructure for workforce housing.

Just to briefly reiterate some of the key points here, we in the Town have had the benefit of, as you just heard a moment ago, utilizing this funding for the development at Wyandanch. And we also have a number of other projects that will be coming down the pipeline in the next couple of years including a lot of interest that's been seen due to our rezoning of downtown Copiague around the Copiague train station; and also work that we are looking to do in East Farmingdale centered around the reopening of the Republic Train Station on the Route 110 corridor.

These housing funds, I think what's important to keep in mind especially for the affordable housing developments, these are not sort of the austere kind of drab, affordable housing developments of the past. If you look at them, there's something that the community and residents can really take pride in. And this infrastructure funding really allows a developer to provide a high quality product across income spectrums. This funding also fills in a key income bracket that most other affordable housing incentives and funding sources omit, which allows you to get that wide range of housing in the mixed-income housing that you want to see for the development of a good, vibrant downtown neighborhood.

And I think lastly, again, just hitting home on the importance of the consistency of the availability of these funds development is a -- it's a large investment; it takes time; there's a lot of uncertainty for a developer. And having the knowledge and the confidence to be able to proceed with the types of developments that we are at the town are trying to incentivize in downtown areas around train stations, I think, is incredibly important. Thank you.

CO-CHAIR CALARCO:

Thank you, Jonathan. Does anybody have any questions? Seeing, none, thank you very much. We appreciate you coming down. Our next speaker is David Gallo. David?

MR. GALLO:

Good afternoon. My name is David Gallo. I am President of Georgica Green Ventures. We are affordable housing developers here on Long Island. I'm here to support the Capital Programs of 6411 and 804 in connection with a few of the projects we are working on in Suffolk County. We have projects -- two projects in the Town of Southamptton, one project in Riverhead. And I could just tell you without the funding associated with these two programs, those developments would not happen.

I would like to echo what Peter Florey and Ralph Fasano also had said with respect to the financial leveraging. This is a key component for us to be able to tie in other sources that the State provides for, workforce housing, specifically page 14 of the New York State Qualified Application Plan details the points. It is the second highest criteria that the State utilizes in awarding other tax credits for projects. So us being able to show the commitment from the local town, county or other sources of funds is key to generating the type of leverage that Ralph had spoke about earlier. The \$80 million that he was able to produce in his project and financial leveraging has to do mostly with the tax credits issued by the State. Those tax credits, then, are purchased by local banks and/or investors.

So thank you very much for the opportunity to speak today. We're in support of the two programs.

CO-CHAIR CALARCO:

Thank you very much. Does anybody have any questions? Seeing none, thank you very much. Thanks for being here. And to anybody who is here for the Environment and Parks public hearing, we apologize, we're running late. We have a number of speakers this afternoon on the affordable housing program, which is good to see people coming out and speaking.

I have a couple more cards to go through and then we'll get to our Commissioners. The next speaker is Robert Coughlan. Rob?

MR. ROBERT COUGHLAN:

Thank you for having me today. My name is Bob Coughlan. I'm a principal of Tritec Real Estate here to speak in support of Capital Program 6411 infrastructure for workforce housing. The funds for this program are extremely important to support revitalizing our downtowns, providing homes for our young and our seniors. These funds allow the development of homes and communities where our well-educated, young workforce not only can afford to live but where they want to live. If it wasn't for funding from programs like this, we would never have been able to complete our New

Village project in Patchogue.

New Village has become a model for other communities in how to revitalize downtowns. There's enormous demand for housing like this and walkable communities. Conversely without this type of housing, we will continue to lose our young, well-educated workforce.

In New Village we have 291 rental units; 224 are market rate units; 67 are workforce units. We're 74% rented; over 215 market rate units are rented. And 80% of our workforce units are rented; 53 out of 67. Seventy percent of the occupants are between the ages of 19 and 40-years-old. And it's also interesting to note that there's only one school-age child between the age of 6 and 18.

We expect to be fully occupied by midsummer. We opened up last June so we're moving along quite well. Since developing New Village and witnessing the success story, creating downtown Patchogue, many communities have asked us to work with them in revitalizing their blighted areas in their communities. We're currently working on developing rental housing projects in Port Jefferson, Ronkonkoma Train Station, Ronkonkoma Hub and downtown Lindenhurst.

This Capital Program helps us revitalize our downtowns by spurring additional economic activity in our downtowns. It cleans up blight. It creates jobs. It increases a tax base. It provides housing to meet our changing demographics where our young people want to live. Ultimately it provides an essential foundation for economic development for the rest of our County.

I want to thank you for your leadership and the past support for programs like this, which have allowed us to start revitalizing our downtowns and creating communities where we can keep our young, well-education workforce.

So I'd like to finish up by strongly encouraging you support the funding for this program being put forth by the County Executive's budget. Thank you very much.

CO-CHAIR CALARCO:

Thank you, Bob. Legislator Cilmi, I know you had a number of questions regarding this project in particular. Did you want to have any questions for Bob?

LEG. CILMI:

No, I think Bob answered them in his presentation. Thank you.

CO-CHAIR CALARCO:

Thank you very much. Bob, thanks for coming down. Our next speaker is Jim Coughlan.

MR. JIM COUGHLAN:

Hi. I'm Jim Coughlan, the other principal of Tritec. And Bob said and other people have said most of the important points here today, but a couple anecdotal things to do with the investment that, you know, you guys provided for our project in New Village. You know, when we first started buying property there, there was over 40% vacancy on Main Street. The projects that we bought were completely blighted, the properties that we bought, where vagrants living in them. And it was -- it was truly a dangerous environment. And that has -- you know, when people started to hear that a project was coming, they really don't believe it. But when we were able to commit to it, and largely due to the commitment that we knew was here, that the money was here and we're working with Jill that we had closed our gap on sources and uses, people then started to believe that we were really coming with over a hundred million dollars. And people started to invest in their properties outside of the project.

So Paul started to talk about the return on the projects that are actually invested in. But there are a lot of properties right around that downtown area -- the property right behind us was a boarded up -- you know, it was a boarding house -- two boarding houses. They were bought by actually a demolition contractor who knew who we were and knew that we were for real. And he bought them

up and he revitalized them and they're no longer dangerous. And, you know, the main street retail went from over 40% vacant to below 6% vacant. And people invested in those properties because they saw the activity. So I think that's a really important sort of, you know, leveraging that goes on with the investments that that board is able to create.

And then, secondly, you know it's unique here at this -- but we have all private money in our project, right, other than -- other than this, you know, targeted investment. And so the affordable units are interspersed throughout our units. They're the same granite countertops and silver, you know, and, you know, aluminum and silver coated appliances; it's the same unit as the person next door to them. And this board has unique ability to do that. I don't know of another source that can target and create affordable units within a market rate project. And so I really encourage you to a) make sure it's known to everybody that it's available; and b) that it's funded. I'm here to strongly support the County Executive's proposal. Thank you.

CO-CHAIR CALARCO:

Jim, thanks a lot. And we appreciate you coming down. Any questions? Legislator Cilmi has one for you.

LEG. CILMI:

Hi, Jim. How are you doing?

MR. JIM COUGHLAN:

Good.

LEG. CILMI:

What's your sense of overall capacity and overall need? We're talking about, you know, we're doing -- you've done what you've done in Patchogue.

MR. JIM COUGHLAN:

Right.

LEG. CILMI:

There are some other smaller developments around. You're doing 1500 units or so in Ronkonkoma. Wyandanch Rising is happening in stages, I guess. And we have Jerry {Wilkoff's} proposal in Brentwood, 9,000 units. What's your sense of -- at what point the demand for these units could start to subside to the extent that even with the, you know, affordable components, you can't fill them up.

MR. JIM COUGHLAN:

It's a great question. You know, if you look at the overall supply of housing, right, I mean take Brookhaven township, is 93% single-family homes, Long Island has somewhere south of 20% multifamily. And so if we're -- I mean, I'm just doing some calculations, but if we're a million one, million two households and we need 10% more of them to be multifamily, there's a big demand. There's a -- you know, that's a lot of households that need to be created. You hear number of \$50,000 units that need to be created and upwards. I don't think those are unrealistic numbers. And it is a supply issue. I mean, ultimately the market would take care of the affordability issue if the supply was allowed to be created.

But you're not going to get -- you're not going to get private dollars to come in and invest in below market rents. And that's one of the points I was trying to make is that it's really critical that this board has the ability to invest in those private projects and buy down the rents in the same units that are being offered to the market.

LEG. CILMI:

You and some others have talked about your market rate units filling up equally as quickly as your

affordable units. And yet the -- often times the reason for the subsidy request has to do with the -- your ability to provide those affordable units. So my question to you is do you think that -- clearly you think that there is demand in excess of current and even proposed capacity even with just market rate units.

MR. JIM COUGHLAN:

Yes. I do. And I think that the market will always, you know, we'll invest in the highest return it can get. So in order to create units that are not going to get market rate rentals, this board is uniquely positioned to invest in those to buy down that rent and provide affordable units.

LEG. CILMI:

Okay. Thank you.

LEG. TROTTA:

How do you --

CO-CHAIR CALARCO:

Legislator Legislator was first. I got a list.

CO-CHAIR LINDSAY:

Good afternoon. Thanks for coming in this afternoon. You know, just going back to along Legislator Cilmi's line of questioning, once the supplies increased, wouldn't that -- then the inverse would be the demand would be lower, which would at some point we would see a drop in the rents.

MR. JIM COUGHLAN:

Sure. I think long term that's the goal, right, is to create enough supply where you balance out and that the pricing of housing matches up with the, you know, the availability of income to pay for it. But we're not there. Because we fought multifamily for so long, the supply is so constrained that the pricing is really only attacking the peak of the market. And in order to get it to hit the broader market, you have to broadly increase the supply. And that's going to be a longtime. That's not -- I mean, all these units and all these projects and you feel the ground swell of support for multifamily and, as Bob pointed out, in many downtowns and many communities, but it's going to take awhile 'til that supply comes anywhere near creating an equilibrium in pricing.

CO-CHAIR LINDSAY:

Going to a couple large projects that you've had, the Patchogue project, New Village, what was the public commitment that you received?

MR. JIM COUGHLAN:

It was -- from this board?

CO-CHAIR LINDSAY:

Yes.

MR. COUGHLAN:

Three point seven five million dollars.

CO-CHAIR LINDSAY:

And how much was privately funded?

MR. JIM COUGHLAN:

Over a hundred million, a hundred two-and-a-half basically.

CO-CHAIR LINDSAY:

And the same question for the Ronkonkoma Hub and the Lindenhurst project as well.

MR. JIM COUGHLAN:

Well, as of now there's no, you know, public dollars in the Lindenhurst project.

CO-CHAIR LINDSAY:

Okay.

MR. JIM COUGHLAN:

In the Ronkonkoma Hub we've received \$5 million so far for infrastructure design financing.

CO-CHAIR LINDSAY:

What's the overall scope of private funding on that project?

MR. JIM COUGHLAN:

You know, that -- it's going to depend on what ultimately gets built and what kind of parking structures gets created there, but it can be anywhere between 450 and 650.

CO-CHAIR LINDSAY:

Okay.

MR. JIM COUGHLAN:

Four hundred fifty million, six hundred fifty million.

CO-CHAIR LINDSAY:

Thank you.

CO-CHAIR CALARCO:

Legislator Trotta.

LEG. TROTТА:

How do you explain that the subsidized apartments aren't full?

MR. JIM COUGHLAN:

Well, you're hitting an income band. So there's -- you know, there's a market for those people. You gotta go out and find them. You know, you can find a lot of people that are below it. But if you're trying to hit an income band where their income matches the rent that you're offering those units at, it's a thin slice.

LEG. TROTТА:

So you're saying -- so it's a narrow, narrow band. So if you make \$10,000 a year, you're not going to qualify to live there.

MR. JIM COUGHLAN:

Right. So you gotta go find the people that make that income band that you're targeting. And it's a marketing --

LEG. TROTТА:

And what is, like, the rent on a one-bedroom that's subsidized?

MR. JIM COUGHLAN:

A subsidized one-bedroom is around 1500. Studio is around 1350.

LEG. TROTТА:

So are they trying to put Social Service in there, like, you know?

MR. JIM COUGHLAN:

No. Those people are making, you know -- I'm trying to remember the target income range but it's in the high five figures.

CO-CHAIR CALARCO:

They're 80%. Your affordable units are 80% median income.

MR. JIM COUGHLAN:

Yeah, but I'm trying to remember the exact --

CO-CHAIR CALARCO:

It's in the 60,000 range for an individual. For a family. But for -- when you're talking a one-bedroom, an individual it's 60 -- I think -- we could ask Jill when she comes up later, but it's going to be in the 60,000 range.

D.P.O. SCHNEIDERMAN:

Once we allow up to 120% of median income, so. I don't know what the -- depends on the project.

MR. JIM COUGHLAN:

Yes.

CO-CHAIR CALARCO:

Okay. Any other questions? Seeing none, Jim, I have one quick question for you because I think this is important. Because we heard about taxes and the cost of living and all those things. When your project's done, what are you going to be putting into the tax?

MR. JIM COUGHLAN:

Which project?

CO-CHAIR CALARCO:

New Village. I heard you're going to be around the \$4 million figure. I've heard in the past you'd be around the \$4 million figure.

MR. JIM COUGHLAN:

I wouldn't want to tell you an exact number. I don't have an answer.

CO-CHAIR CALARCO:

(Laughing) I see Bob getting up. I think maybe he knows the answer. Am I about accurate, Bob?

MR. ROBERT COUGHLAN:

Possible 4,000 dollars per apartment, right. Now depending on the community so 4,000 times 300 a year property taxes then --

MS. FLESHER:

You have to come up to the mike.

CO-CHAIR CALARCO:

A million two a year in property taxes out of that project with one child living in the development, I'd say that's a big tax positive for the school district.

MR. ROBERT COUGHLAN:

(Speaking off mike - unable to hear)

MS. FLESHER:

You have to come up to the mike.

CO-CHAIR CALARCO:

And Bob's mentioning from the back of the room the sales tax figures that come into it as well. So those are all -- all good positives for us as a County and a region and all the things that help bring our taxes down for those folks who live in the single-family neighborhoods who are sending kids to the school district.

LEG. CILMI:

I have other questions.

CO-CHAIR CALARCO:

Sure, go ahead, Legislator Cilmi.

LEG. CILMI:

I'm sorry, Jim.

MR. JIM COUGHLAN:

It's okay.

LEG. CILMI:

There should have been a balance. I should have asked you, like, five questions and Bob, like, five questions.

MR. JIM COUGHLAN:

He got off scott-free.

LEG. CILMI:

Let him off the hook. What other communities in -- or hamlets in -- on Long Island have you guys developed in? List them for us.

MR. JIM COUGHLAN:

Other downtown revitalizations? Patchogue was our first downtown revitalization.

LEG. CILMI:

Patchogue. And you're doing Ronkonkoma. And where else have you -- where else --

MR. JIM COUGHLAN:

We're doing a project in Port Jeff right now.

LEG. CILMI:

Port Jeff, okay.

MR. JIM COUGHLAN:

It's a a blighted old motel that we're going to buy and turn it into marketable units.

LEG. CILMI:

Anywhere in Nassau County?

MR. JIM COUGHLAN:

Nowhere in Nassau County. We have a large office project going on in Nassau County right now but --

LEG. CILMI:

Okay. Okay. Thanks.

CO-CHAIR CALARCO:

Okay. Don't go away yet, Jim, one more. Legislator McCaffrey wants to know when you're coming to Lindenhurst. (Laughter)

LEG. McCAFFREY:

Yeah. Jim thanks for coming. I did have a question about, you know, all this new housing we're creating. They should question the people who are moving into these places, where were they living before?

MR. JIM COUGHLAN:

Mostly in the same area. We have a lot -- we have all the demographics broken down and could actually, if you want it, I'll pull it.

LEG. McCAFFREY:

No, I meant in terms of -- I mean are we taking people out of, like, the single-family rentals, sometimes illegal rental situations and moving them into, you know, appropriate housing stock and rental places for them to be in the areas where we want them to be. And I know this is a leading question to the answer I'm hoping to get, is that we're taking the people from these residential areas where -- in the basement apartments, in the -- the overcrowded residential areas where people complain to us, of having too many cars in front of the house and things like that, into an appropriate place to live; is that fair to say?

MR. JIM COUGHLAN:

Well, I mean I can tell you that 50% of the people that are moving into New Village are coming from rental units and 50% are coming from single-family houses. As Bob said, 70% of them are, you know, the income -- the age range of nine -- you know, 19 to 40. So I'm not sure if that's answering the question, but I can't say, you know, how many cars they have --

LEG. McCAFFREY:

Well, no, I'm just saying a lot of our housing stock right now, our rental housing stock is in private homes.

MR. JIM COUGHLAN:

Right.

LEG. McCAFFREY:

You know, where you gotta to go around the back through the gate to get to the house. And when we're trying to attract businesses, when people go and businesses want to stay here or they want to bring -- hopefully maybe bring businesses into this County, you know, I say where are our people going to live? And they, go, *well, you can live in somebody's basement. You can live in the upstairs of a dormer'd cape or you could go down to Raleigh, North Carolina where they have these expanses of housing stock, rental housing stocks readily available people can see and feel and touch.*

MR. JIM COUGHLAN:

You know, we are -- we are attracting people from those types of units. And I think, you know, anecdotally again, but, you know, I was on the development council for SUNY Stony Brook Children's Hospital. And they were trying to hire 1100 people there. And almost 300 of them are going to be physicians. And their biggest problem in attracting people to move here was where are they going -- where are they going to live? And it's particularly acute up there with the student population, taking houses and chopping them up.

We had one example at Tritec, we hired a young lady with a MIT MBA and moved her out from New

Jersey and she winded up living in a basement. She's making six figures. And after six months she said *I don't want to live here anymore* because there was nowhere as a young people that she wanted to live on Long Island. You know, Patchogue hadn't been created yet. And we need more Patchogues, the Huntingtons, the downtowns that are going to keep not just the young people but also people whose kids are grown and gone and are paying huge tax bills and want to -- and want to, you know, keep their income here, keep their wealth here, but want more of an experience of living in a village. Both ends of it, the millennials and the baby boomers are getting much more interested in investing and experience than stuff. And, you know, you'll just see, you know, right now people aren't valuing those huge homes as much as they did anymore. The upside doesn't seem to be there in them. And the experience of living in a village and having all the things that Long Island has to offer is becoming much more attractive.

LEG. McCAFFREY:

And as someone's who been in village government for a very longtime, I look forward to you coming to Lindenhurst Village and speaking with the Mayor there.

MR. JIM COUGHLAN:

Well, thank you very much. We appreciate that. We're looking forward to it.

CO-CHAIR CALARCO:

Thank you very much, Jim. We appreciate you guys coming down.

I have no others speakers. Is anybody else from the public like to address us today? Seeing none, thanks, again, Bob. And there's a long debate that I think we'll have on affordable housing stuff as we go, but it's good to see that we have a number of for-profit and not-for-profit partners out there who want to do these kind of projects.

What I'm going to do, because we do have a Commissioner from Economic Development here, I'm going to throw the mike to my counterpart for today's public hearing, Legislator Lindsay, so he could go through the Economic Development portion of the meeting. We'll come back to you, Jill.

CO-CHAIR LINDSAY:

Thank you, Legislator Calarco. If I could ask, Joanne, if you wouldn't mind coming forward, give you an opportunity to make your presentation and -- I know you've been sitting here for a while, we're running a bit late today so I apologize.

COMMISSIONER MINIERI:

Hello everyone. Good afternoon. I'm Joanne Minieri, Deputy County Executive and Commissioner. Can you hear me?

CO-CHAIR LINDSAY:

Move it close.

COMMISSIONER MINIERI:

The light is on. Thank you. Hello. Joanne Minieri, the Deputy County Executive and Commissioner of Economic Development & Planning for Suffolk County. And I appreciate the opportunity this afternoon to discuss with you the 2016 Capital Budget for the department. As you heard through the public here the importance of the economic development tools that -- that this Legislature and the County Executive make available to the -- to create the sustainable growth necessary here in Suffolk County.

You know, my -- the Economic Development and Planning Department is really here to assist, facilitate and provide resources to local municipalities, community and civic groups, not-for-profits and also to help leverage private investment so that we can continue to grow and sustain our -- and connect our incredible assets.

As you all know, we are very much promoting the regional transportation and development plan called Connect Long Island. The Capital Budget this year is really a request to continue to fund the key economic programs that allow us to maintain and continue to attract new jobs, vibrant communities, quality of life amenities and most importantly retaining the young population so that we can provide and respond to the demand of the current workforce.

We continue to try to not only attract new companies but to retain them. We do have incredible institutions, incredible research and development companies here, but we have to really start to hear and respond to the needs of the workforce. You've heard from a number of people today both for the not-for-profit and the for-profit and the municipalities that our investments are critical. And I'd like also to take this opportunity to let everyone know here that we have an incredible team in the Economic Development & Planning Department. You can see them all here sitting behind me.

One of the big efforts that we've really been working on is to do a lot more outreach, to work closely with the local municipalities, to help to begin coordinate, you know, the types of plans and designs that are required to really coordinate transportation and development planning. A big -- big initiative is really the importance of connecting these new downtowns to all of our incredible assets and to really provide the opportunity to move around and grow an economy without just getting into the car.

I think that the regional plan that's been laid out is very important because you need a basis, you need a -- you need something, a plan, a strategic plan to look at, to refine, to change as necessary. The -- you know, these one off types of development that occur within each of the different locations is sometimes often frightening because there's always a concern. When you look at it in a planned way, you can really understand and you can react and provide the necessary leadership to make sure that we are, in fact, responding. Community-based approaches are the most successful. And we believe that -- and Legislator Schneiderman said it earlier, that leadership is important both at the -- you know, the County level as well as the local municipality and in the private sector. We all are really trying to work together to -- to do the proper planning and the proper thought necessary to create the important elements of the economy.

Our programs that we have asked for, you heard -- you heard a lot of discussion today on the 6411 and the 8407. Those are critical -- I don't think I can state it much better than all the public speakers, but they are critical and important economic development tools. The dollars that are invested have an opportunity to have a return on investment. You heard it -- a lot of the numbers, but there are still a lot of studies out there that indicate we have to do better and we have to continue to work toward creating these downtowns, which are really the communities whereby people enjoy living, working and access to transportation other than a car. And that -- you know, currently that is an important element, the walkability. And the economic impact of that is still being determined and tested and analyzed. And we will, as we move forward on these long-term plans, look back to understand.

I will tell you that these types of transformational projects take a long time, but it really is important. And this Legislature knows that recognizing infrastructure and investing in the transportation and the roads and the sewers are critical to respond to and to provide the environment for these multifamily, multiuse downtowns that are so important to a sustainable environment.

So with that I think that we all understand the different programs whether it's the workforce housing infrastructure or land program, the downtown revitalization program that we have, the Jump Start or Connect Long Island Program, which is most important because that's the program that funds the local municipalities to enable them to invest in these infrastructure necessary to create these new communities and new downtowns.

And the Start Up New York Program, which is -- we've asked for consistent with last year, that's the

Governor's program which the funding we're requesting is to assist the universities and the opportunity to not only plan, but to have some sort -- some construction dollars available to invest in a start up opportunity.

So I'm here to answer any questions and ask for an approval of the requested budget.

CO-CHAIR LINDSAY:

We'll start with Legislator Calarco.

CO-CHAIR CALARCO:

It's the end of the list by now. Good afternoon, Commissioner. How are you? A quick question for you regarding the start up monies and that project because I have a lot of interest in that, and seeing if there's a potential project in the -- down in the Patchogue downtown area that I could work with. Is that strictly to work as a partnership with Suffolk Community College or is that something that is open for conversations with other colleges and universities and are eligible through the State to do start up projects?

COMMISSIONER MINIERI:

I believe it's to work with all the communities. We've targeted Suffolk Community College because we'd really love to work with them on a start up opportunity. But as you know, Stony Brook University is an approved start up, as is a number of others. I don't want to mention them all because I don't know, but I know -- we all know Stony Brook is, we know Farmingdale is and there's a number of other colleges. We're hoping that Suffolk Community will soon be approved.

CO-CHAIR CALARCO:

Sure, that was -- well, that was my thought. I know Suffolk is seeking it and they'd be a great partner and they have some great opportunities in some locations, but maybe it would also be helpful to look to see if Stony Brook is looking to have some satellite offices in some of the downtowns as well and use them as a potential partner in different parts of the County.

COMMISSIONER MINIERI:

Yes, we really would like to promote the start up opportunities in the downtowns. They are permitted. They're off campus plans for the universities. And we think that creating commercial space in the downtowns is really an important element in its sustainability, so.

CO-CHAIR CALARCO:

Absolutely, I agree. Thanks.

COMMISSIONER MINIERI:

Thank you.

CO-CHAIR LINDSAY:

Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:

Commissioner Minieri, can we talk a little bit about bus rapid transit and where it is in the Capital Program and what the thinking behind it is.

COMMISSIONER MINIERI:

We can. It's not in this Capital Program. I'm going to ask Lou to come up. Lou Bekofsky is in charge of our -- for Economic Development and Planning, our bus rapid transit opportunity. The dollars for bus rapid transit come through the DPW -- the DPW budget program as well as to the extent we could get Federal and State funding. But I'm going to really hand it off to Lou because he's working day-to-day on that for us.

MR. BEKOFSKY:

Lou Bekofsky, Economic Development. Joanne hit it right on the head there. DPW -- sure can you hear me? The funds do run through DPW. We have a Capital Program 5597, which has a number of grant opportunities, which are funding our initial stage of bus rapid transit.

D.P.O. SCHNEIDERMAN:

And the monies being used right now, right now are Federal transportation funds; is that right?

MR. BEKOFSKY:

Again, and we have some State --

D.P.O. SCHNEIDERMAN:

TIP money?

MR. BEKOFSKY:

-- also. Right now we have UPWP money for our study, the ongoing studies we're doing now. And there are other grants funding, the initial stages, as I said, both State and Federal.

D.P.O. SCHNEIDERMAN:

And where in the schedule does it start to impact the County in terms of debt service?

MR. BEKOFSKY:

If you're talking about the TIPS specifically and our use of Federal funds, it's 17, 18, 19. But these are -- again, these are --

D.P.O. SCHNEIDERMAN:

-- right only in the -- because that money typically would have been used for roads and bridges and so then we'll have to bond for the roads and bridges.

MR. BEKOFSKY:

Well, there are other separate funding sources for roads and bridges besides the funds that we're -- that we've identified. These are flexible highway transportation funds that we are --

D.P.O. SCHNEIDERMAN:

What is -- you want to do the rapid bus along what, three corridors? It's Sagtikos, 110 and Nicolls?

MR. BEKOFSKY:

Correct.

D.P.O. SCHNEIDERMAN:

And we're connecting communities to rail -- to Long Island railroad.

MR. BEKOFSKY:

Correct.

D.P.O. SCHNEIDERMAN:

That's the main idea behind it?

MR. BEKOFSKY:

Correct.

D.P.O. SCHNEIDERMAN:

So these hubs so -- like -- because, I think, of Ronkonkoma Hub, they're already on a train; they're already on a train line. Patchogue's already on a train line, right. Wyandanch line Rising is already on a train so -- explain to me a little bit better so I understand -- because overall it's, like what, a

\$50 million program, something in that range?

MR. BEKOFSKY:

Well, right now our eyes -- let me just take Nicolls since --

D.P.O. SCHNEIDERMAN:

Yeah, sell me on BRT.

MR. BEKOFSKY:

I'll sell you on BRT. So it's not only downtowns and the rail, it's also key assets, Stony Brook, the hospital at Stony Brook, Suffolk Community College, Briarcliff, you know, St. Joe's. We're looking at all of these different assets and connecting them to rail. You know, and we're also looking at, you know, again, working -- not only connecting that with rail, but like bus rapid transit, it's a regional approach. Bus rapid transit, Start Up New York, the Long Island -- they all work together on vibrant downtowns. It all works together to create one quality of life type of ecosystem.

D.P.O. SCHNEIDERMAN:

Right, so -- all right, so I see you see as part of the picture, you have the hub development, people living in downtowns and they need to get -- a lot of them are going to work in New York City, or at least want to go to New York City potentially because that's the main economic engine so to speak. So this allows them to live in a small downtown area and then using public -- but not getting in their car, being able to get to Manhattan or to their employer.

MR. BEKOFSKY:

We're actually increasing reverse commuting to make it easier to access a town pool of New York City and bring them out here without them having to need -- need to use a car.

D.P.O. SCHNEIDERMAN:

And do we know that people that will use it? Do we have any indication -- is this something that people have been asking for or --

MR. BEKOFSKY:

I mean, we're going through a number of studies before we implement. We've done a feasibility study, looked at 35 corridors, brought it down to three that we're targeting. And now we're going through alternatives analysis study which is looking at, you know, potential ridership, you know, what the route should be, where the station should be. And all those things will result in economic development.

D.P.O. SCHNEIDERMAN:

Will we likely see this stage, like one -- one corridor at a time? Or are you going to do all three corridors together?

MR. BEKOFSKY:

You know --

D.P.O. SCHNEIDERMAN:

And the reason why I ask obviously is because it'd be nice to know if it works. So if you did one first and if it was successful, then, you move on and do two or three.

COMMISSIONER MINIERI:

Yeah, we're focused right now on Nicolls Road. That's a County road. And the 110 is also, I believe, finished with their alternative analysis.

MR. BEKOFSKY:

They're finishing their alternative analysis.

COMMISSIONER MINIERI:

Right.

D.P.O. SCHNEIDERMAN:

Okay.

COMMISSIONER MINIERI:

The importance also with respect to bus rapid transit is we're -- we're connecting north/south. We only have public transportation going east/west. And there's no access to a north/south corridor. And, you know, as important as getting into New York City, you can -- you know, with the plan that's underway right now, you can fly into MacArthur Airport and get to either -- either Stony Brook University, Brookhaven National Lab, Patchogue downtown; or go east all the way into Manhattan via public transportation, which is critical. And, you know, the use of public transportation is increasing very much so. And we don't here in Suffolk County have the ability to go north/south at all.

D.P.O. SCHNEIDERMAN:

Right. I guess we're targeting a slightly different pool of transit users than our current Suffolk County transit system, which primarily takes the workforce in and around Suffolk County, which is also, you know, in my mind, extremely underfunded. We, you know, did a study years ago when I first came on the Legislature and identified a lot of routes that, you know, needed evening hours, needed Sunday hours; additional routes that were needed. We've been struggling to get anything close to what Nassau County gets in terms of subsidy from New York State and STOA funding. And I just -- I appreciate the focus on bus rapid transit and identify or being able to provide a service to a different -- different transit users, but I don't want us to walk away from our current bus system either, which really needs funding, and, you know, needs to be enlarged.

So I hope that there's kind of a parallel track that we fight -- you know, we're asking for another ten million in State assistance, which still would be, I think, proportionally less than Nassau's getting, but, you know, I don't want us to focus so much on BRT that we forget our own Suffolk County transit system.

MR. BEKOFSKY:

Sure. And I can just say BRT's going to be integrated with the local service and also the funding that you mentioned earlier is not taking away from the transportation funding that exists.

D.P.O. SCHNEIDERMAN:

Okay. Thank you.

CO-CHAIR LINDSAY:

Legislator Cilmi.

LEG. CILMI:

Thanks, Mr. Chair. Question is to Miss Minieri, and it's sort of a -- it's a philosophical question, really, that I want you to sort of expound on for me. And the question is in the context of the budget, shortfalls, deficits that we're facing, the structural deficit that we're facing, in the context of the fact that we're borrowing -- we borrowed more money today than we have, you know, the amount of debt that we're in today far exceeds what we were in ten years ago. And I'm not -- I'm certainly not blaming the system. It's a statement of reality.

In the context of the fact that we're borrowing to pay for operating expenses that we're doing interfund transfers to pay -- to make payroll, it seems like we keep sort of adding these, you know, adding these Capital Projects. And my question is where does it end? I mean, where do we stop borrowing money to create all of these things? I mean --

COMMISSIONER MINIERI:

It's really critical, honestly, on capital investment is the right balance. These capital dollars will provide a return on investment. It may be tomorrow, it may be five years from tomorrow or ten years from tomorrow. It will -- they will reverse the trend. And the trend is going the wrong way right now.

There is some capital investments that will not have a return on investment. They just need to be done. You know, repairs, safety and the like. But having a proper balance and setting the correct priorities are critical -- is critical. And to just look at a group of projects, for instance, the economic development and say *we don't have it, we can't borrow for this, we don't have enough money*, I would take the position that this is -- these dollars have an opportunity and will, in fact, provide a return. You will create jobs. You will have increased property values. You will get increased sales tax. Statistics have shown it and they will continue to show it. We will attract new businesses. You know, that -- and those are -- that's a multiplier. It's not a one-for-one. It's --

LEG. CILMI:

I'm sorry to interrupt you.

COMMISSIONER MINIERI:

That's okay. By investing these dollars and providing the economic impact will hopefully be able -- will provide the County the ability to invest the other capital dollars that you will not see a return on investment. Whether it's for the acquisition of open space, the improvements of a bridge or the, you know, the improvements of the highways.

LEG. CILMI:

But you can say -- you can say that about -- just about anything. I mean, what if we all of a sudden decided that, you know, restaurants are a key component to economic development in downtowns; so, therefore, we're going to subsidizing the development of restaurants. Or, you know -- I mean certainly through our IDA, which you're obviously very familiar with --

COMMISSIONER MINIERI:

Yes.

LEG. CILMI:

-- we are selecting certain industries, and in some cases we're getting inducements irrespective of industry but rather of circumstances, to, you know, individual companies that either say they're coming here or either say they're leaving here. And we don't want them to leave so we gave them tax breaks. And so if we continue to give tax breaks and, you know, all sorts of benefits to people, at what point do you run into a situation where you're just not getting the tax revenue in enough to fund, you know, the things that we need to fund. And it seems like if -- if you -- if you take that question and you consider the position that the County is in right now in terms of our structural deficit and what we're having to do in order to just make payroll, it seems like we're at that place. I don't know how to justify that in my head.

I mean, I understand what you're saying and certainly there is a -- there's no doubt there's a benefit to the economy. And I'm not singling out economic development projects. I'm asking you a question because you happen to be here at the moment and we're in this portion of our discussions. You know, clearly there's a benefit and there's a -- you could find benefits to pretty much anything that we could do. The question is, I think you've answered it, you said it's a balancing act. But I just wonder when we stop -- like what you said about Start Up New York really sort of bothered me. I mean, how -- the State government is giving tax benefits to companies that -- specific companies that are building on college campuses or near college campuses or something, but now we're going to -- also fund those companies as well? I mean it's just --

COMMISSIONER MINIERI:

Well, you know, the Start Up New York Program was really in my mind for the purposes of attracting new businesses with --

LEG. CILMI:

And that's what the IDA was originally.

COMMISSIONER MINIERI:

-- profitable -- while it's supporting start ups, meaning new companies coming from the ground up with maybe two employees, the goal of the Start Up New York was to attract new companies from outside the region to bring new jobs. Because some of the benefits in the Start Up New York Program, like the income tax relief, if you're not making money, you don't get a benefit. If you don't have employees who are paying taxes, you're not receiving a benefit. So it's really -- and, frankly, it's a very important tool for Suffolk County because we've always had this issue with high, you know, high cost of doing business here. So that benefit in that start up program could be very valuable here in Suffolk County.

The real estate tax abatement and the other types of benefits that we look at with respect to -- at the Suffolk County IDA, which is also part of the Start Up New York, again, that's in response to the job creation and the need to really attract and retain our companies when they are potentially being moved to other places. Because, you know, the bottom line is profitable companies really have a choice of where they want to be. What keeps them here in Suffolk County is the quality of life, the quality of the workforce, the, you know, natural assets that we have here and the number -- the proximity to New York City and -- I don't have to, you know --

LEG. CILMI:

Right.

COMMISSIONER MINIERI:

But the point being is that it's important to be a partner with both the private sector and the local municipalities. And some of these economic dollars are there to do that, both at our level here at the County as well as the State and the Feds. And I will tell you, Legislator Cilmi, I'm a big proponent of a plan. And when you -- when you -- you know, you rub your head and I understand because it feels like it's endless and it's infinite, but we're sitting here looking at a regional plan for development and transportation Connect Long Island. It shows the types of transit-oriented development that would be -- you know, that's in demand. Okay? It has a blueprint of what needs to be. It's highlighting the importance of the north/south connections, connecting our key research and development institutions, institutions that are only here in Suffolk County. And I get my head around things that seem almost infinite by always supporting a plan, a comprehensive plan. I know the towns have their master plans and the County has its regional plan. And we should be working together.

LEG. CILMI:

Yeah, but again --

COMMISSIONER MINIERI:

Constantly updating and modifying it.

LEG. CILMI:

I agree with that. But the question in my mind, again, and I'm not sure there is an answer, and I'm sorry to put you in this position to ask the questions to you, but -- but the question in my mind is always but where -- again, where does it end? If we have -- if we have -- if we have 10 companies that do developments in Suffolk County, for example, and company number one comes to us and says, you know, we'd really like to do this development and -- you know, but we need this -- we need this -- we need some help financially. And so we provide the help to that company. The other

nine companies look and -- look at it and say, *well, they got help. We should get help, too.*

So company number two comes to us and says *we need help*. And then company number three comes and says *we need help*. And then the company that makes widgets in the County comes to the IDA and say, *you know, we can't afford to really do business here anymore because of the tax burden, the energy costs, etcetera, we need some help from the IDA*. And so the IDA gives them a benefit. And then company number two comes along and says, *you know, we make widgets, too, why can't you give us a benefit?* And then company number three comes along and says *we don't make widgets, we make cellphones but it's hard for us to do business here, too*. So my question is where does it all end?

COMMISSIONER MINIERI:

Again, I don't -- I don't have an ending for you.

LEG. CILMI:

Right.

COMMISSIONER MINIERI:

But what I do have is -- and I've told this to my team. As we begin to, you know, slowly recover because, remember, we came off a very, very difficult economic crisis, but as we slowly begin to recover, we will have to be more diligent in how we make these awards. And we are. And you see -- you'll see it at the IDA and you'll see it here in the awards of these economic development programs. But that's a -- that's good news.

As we become, you know, more robust in our economy, and as we begin to attract and create jobs -- we are not there yet. We really have important infrastructure investments to make. And we have important, you know, demands that aren't being met currently in this marketplace. And you -- I know everyone in these committees speak to companies, and I speak to companies, and I, you know, I still hear the need to provide the necessary quality of life both in transportation and, you know, communities for the workforce so that they can stay here and they can build their companies. And we must -- we are very far from meeting that demand.

And these dollars are long term investments. These corridors that we're discussing with bus rapid transit to provide a connectability will take a number of years to plan, design, construct and implement. And we are changing habits. That is correct. There are not a lot of people who take transportation -- take the buses. But these -- these are important elements of economic growth that we're seeing outside our region to being very successful. And those other areas don't have the types of assets that we have here in Suffolk.

LEG. CILMI:

Thank you.

CO-CHAIR LINDSAY:

Legislator Trotta.

LEG. TROTТА:

Yeah. Can you explain to me how the bus person -- how is it supposed to work? Use the one that's most far along, Nicolls Road.

MR. BEKOFISKY:

Sure. So you're -- your question is how is the bus going to operate?

LEG. TROTТА:

I've never met a person who took the bus on Long Island.

MR. BEKOFISKY:

Sure. I've been on one so you met one. I think -- I think it was said before, you know, the target audience is people who have a choice or they have --

LEG. TROTТА:

I want to know specifically where I'm going to pick this bus up and where I'm going to go and why.

MR. BEKOFСKY:

We'll use Nicolls. You're going to go from Stony Brook to Ronkonkoma to Patchogue with a stop at anyone of the other colleges. You know, where are you going to pick up the bus? There's a number of different stations we're looking at now, but if I just use those locations, you know, we're going through the planning process so we'll have that. At the end of the year we'll have a more --

LEG. TROTТА:

I'm a student at Stony Brook University.

MR. BEKOFСKY:

Right. You're going to go --

LEG. TROTТА:

I'm on the bus. Where am I going to go?

MR. BEKOFСKY:

You're going to stop at Stony Brook. There are connections to the rail at Stony Brook and to local buses at Stony Brook so --

LEG. TROTТА:

Stony Brook?

MR. BEKOFСKY:

At Stony Brook University, correct. And you'll take the BRT from the University down to the train station to Ronkonkoma to get to the city faster; or down to Patchogue to go out and spend some money and come back and do your studies.

CO-CHAIR CALARCO:

I could answer that. We have residents in New Village who are employees at the medical hospital at Stony Brook University. And they would happily hop on the BRT transit, picking up a stop in Patchogue Village and take the bus that gets to go around all the traffic, and bypass the lights and get them there 10, 15 minutes sooner than if they got into their vehicle to go to work and then come back.

LEG. TROTТА:

Okay. So where did they say, in Patchogue, they're living?

CO-CHAIR CALARCO:

Yeah, they live in New Village.

LEG. TROTТА:

I don't know what New Village is.

CO-CHAIR CALARCO:

New Village is that project we just talked about with the Coughlan brothers, the big one in downtown.

LEG. TROTТА:

Okay, so there's 200 people in that village.

CO-CHAIR CALARCO:

That's 291 units, but there's over 500 units of new housing being built in downtown village.

LEG. TROTТА:

So let's say 30 of them work at Stony Brook.

CO-CHAIR CALARCO:

Yeah, possibly.

MR. BEKOFСKY:

Let me just say there's -- yeah, there's over 25,000 students at Stony Brook and 8,000 or so, 8,000, 10,000 commute. If you take a third of those, you capture a third, you now have your busiest bus route.

LEG. TROTТА:

And this doesn't have to stop at lights?

MR. BEKOFСKY:

No. So, there's a lot of different options here. You can have preemption technology or priority treatments at the intersections where the bus actually pulls around traffic and gets the green light before the rest of traffic. Or you can run in a shoulder, you know, bus lane, and bypass traffic that way. But, yeah, you're saving time because you're not sitting in traffic, which is the incentive to use it. As someone who lives off of Nicolls Road --

LEG. TROTТА:

And how often are these things going to run?

MR. BEKOFСKY:

Excuse me?

LEG. TROTТА:

How often are they going to run?

MR. BEKOFСKY:

Depends on the number of buses, but early phase every 30 minutes. And they're going to be reliable. You can be at a station and you can actually see when the next bus is coming. You'll have an app on your phone or you'll have a website available to you, you know, similar if you were taking the subway, you can see, you know, when the train's coming and when it's not, you know --

LEG. TROTТА:

And on 110, what -- I mean, I just don't envision on 110 in particular, you get off the bus, now what do you do? You walk into the industrial park?

CO-CHAIR LINDSAY:

You know, let me answer that. Because I worked on 110 for ten years. You have the Melville Train Station, which is being proposed to be reopened. So you can have people commute from points east and west, take some kind of bus rapid transit up and down 110. Every office building on 110 is within two blocks of 110. That doesn't go back miles in either direction so --

LEG. TROTТА:

It goes back to Pine Lawn Road.

CO-CHAIR LINDSAY:

Which is four blocks away; four cities blocks. I worked there. I've walked around there, trust me, I know it very well. It's a unique area where you have so much -- so many people condensed into one spot. And the biggest issue with 110 is there's three rush hours. There's one in the morning, one in the afternoon at lunch and one in the evening. So you can't possibly get around by car. So if we were to get as many of those people as possible to use mass transit, it would alleviate a lot of the traffic concerns.

The other aspect of this that hasn't really entered the debate, and I'll use Data Scan as a perfect example of a company who left -- who's leaving the County, not because of the high cost, because they're moving to Long Island City or Queens, which probably has a higher cost than we have here in Suffolk County, they're moving there to get access to more young professionals who are living in those type of areas. So the fact that we're not connected to any of those populations puts us at a huge disadvantage. And this is -- this system in place with, you know, working in coordination with the railroad system connects us to those people in Brooklyn, in Manhattan and in Queens that could do a reverse commute and come out and work in our companies here in Suffolk County. It's already happening now, but on a very limited basis because of the traffic situation. If you drive any points west in the morning, you'll see there's almost as many cars coming east as there are going west during rush hour.

LEG. TROTTA:

I just don't see people taking buses. We have sprawl. I mean we're all over the place. I just don't see someone getting on the bus and getting off on 110 and walking three blocks to Pine Lawn Road.

CO-CHAIR LINDSAY:

I think you gotta -- if you experienced it more and you've actually sat in traffic 45 minutes trying to get 20 miles --

LEG. TROTTA:

I worked in Pine Lawn for ten years.

CO-CHAIR LINDSAY:

Okay.

LEG. TROTTA:

I'm intimately familiar with it.

CO-CHAIR LINDSAY:

Okay.

COMMISSIONER MINIERI:

And, you know, the young workforce are very much proponents of public transportation and, you know, I will tell you that even if the time is equivalent, the quality of the transportation, you can work, you can sleep, you can text, you can call when you're taking a bus or a train as opposed to when you're driving, so. A lot of different elements come into play.

LEG. TROTTA:

It just doesn't seem practical.

CO-CHAIR LINDSAY:

I don't think you're the demographic that they're targeting, no offense, Legislator Trotta.

LEG. TROTTA:

I know the demographic that you're talking about. I just don't see where we're going to be spending all this money on something for suburbia. I mean, this is not the city. This is suburbia.

COMMISSIONER MINIERI:

Right, but you can do planned developments and get quality transportation. There is -- there is -- we're not the only --

LEG. TROTTA:

Where is the Sunken Meadow Parkway going to? Where is that going to go?

COMMISSIONER MINIERI:

What did you say?

LEG. TROTTA:

Where is the one on the Sunken Meadow Parkway, where is that going to go?

MR. BEKOFSKY:

Right, so you're talking -- yeah --

CO-CHAIR LINDSAY:

The Sagtikos he's talking about. If we can kind of move this along, too, because we're getting into debate here.

MR. BEKOFSKY:

We're looking at for the Sagtikos at a very high level, you know, dependent on -- contingent on Heartland going to Kings Park, maybe down to Babylon Village or to Amityville and tying it to the Bay Shore Ferries possibly. All this is very conceptual for that particular corridor at this point.

CO-CHAIR LINDSAY:

Any other questions? Thank you very much for your presentation.

COMMISSIONER MINIERI:

Thank you.

CO-CHAIR CALARCO:

Okay. We're going to try to buzz through the rest of this public hearing because we're an hour and 15 minutes into the Environment public hearing and the work group is supposed to try to get some work done this afternoon yet, too.

So I do have Jill Rosen-Nikoloff here. And we had a number of speakers about the workforce housing program. I thought maybe it would be helpful if you could give us, if you have them, a quick rundown of maybe the projects you have in the hopper to let us know where you are with the money that you have on hand or available and budgeted and why we're looking at the increases that were requested.

D.P.O. SCHNEIDERMAN:

All in less than a minute.

CO-CHAIR CALARCO:

All in less than a minute.

DIRECTOR ROSEN-NIKOLOFF:

We need more money.

CO-CHAIR CALARCO:

(Laughter) That was pretty quick and easy. But you gotta have the mike on. Use the one next to you.

DIRECTOR ROSEN-NIKOLOFF:

Okay, thank you very much. So essentially we have the two programs 6411 and 8704. At the moment the balance in 6411 is about \$6,759,000. And we have about seven projects in the pipeline to utilize those funds totaling about \$6 million, which leaves us with an available balance of about \$700,000 to address about a minimum of ten projects in various areas across Suffolk County.

And the seven projects that are in the pipeline essentially run from Southampton to Copiague. And 8704 would result in approximately 398 additional units in the pipeline. For 8704 we have a balance of about 3.6 million. We have in the pipeline four projects that would utilize those land acquisition funds. The aggregate of those asks total seven million. And so we can see that it puts us in something of a deficit situation. Those four projects would total 367 units if they were all funded. Those projects that are in our pipeline, we expect the bulk of them actually to be brought to the legislative for approval sometime during the course of 2015.

So based on those numbers, we would respectfully request that the County Executive's budget request and the numbers for each of those Capital Programs be funded at the levels as requested, which would be \$5 million in 2016 for 6411; \$5 million in 2017; 2,500,000 in 2018. And that would be for 6411.

On 8704, we requested 2,500,000 in 2016; 5 million for 2017; and 2,500,000 for 2018. And those funds are very important in terms of planning as you heard from the developers both for-profit and non-profit that were here.

CO-CHAIR CALARCO:

Okay, thank you, Jill. Does anybody have any questions for Jill? Going once, going twice. Legislator Hahn.

LEG. HAHN:

So is there a way you can send us -- or maybe it's in the review and I just haven't gotten to it yet, but is there a way for you to send us the projects? Like, so the 5 million in '16 for 6411, is that completely allocated? Or -- I don't I mean allocated in the official sense but in your mind, like you have projects that you need to spend those on?

DIRECTOR ROSEN-NIKOLOFF:

Yeah, right.

LEG. HAHN:

So then do we -- is there some outline of those projects for us?

DIRECTOR ROSEN-NIKOLOFF:

Yes, I can -- some of it's listed, I believe in the budget.

LEG. HAHN:

I imagine. I haven't gotten to it yet.

DIRECTOR ROSEN-NIKOLOFF:

It's in there. And, yes, I can send you it separately.

LEG. HAHN:

Thank you.

CO-CHAIR CALARCO:

Okay. Any other questions for Jill? Seeing none, Jill, maybe we can touch base after, too, because I think I'd like to get a lot of the information in a little more details as we get into this a little bit more.

DIRECTOR ROSEN-NIKOLOFF:

Thank you.

CO-CHAIR CALARCO:

Thank you very much. Okay, I know that we had Frank Nardelli here. Frank, are you here from Consumer Affairs? Oh, there you are, hiding behind the podium. Come on up.

COMMISSIONER NARDELLI:

Good afternoon. We typically don't have Capital Budget requests in Department of Labor in the past but since we merged with Consumer Affairs, we do have several vehicles that we need to purchase.

Capital Project 1813, this project is to replace aging vehicles ten years and older with over 100,000 miles each. Unreliability and constant breakdown of these vehicles produce -- reduces productivity and increases repair costs. There's a 2000 Ford Ranger with a 130,000 miles on it; another 2000 Ford Ranger with 126,000 miles on it. There's a 2001 Ford Ranger with 147,000 miles on it. They've been in the shop on an ongoing basis. And we -- this was actually approved in this Committee and before the full Legislature a few months ago. And we ask that it be included in the 2016/2018 budget.

CO-CHAIR CALARCO:

Okay. Is that all you got, Frank?

COMMISSIONER NARDELLI:

No, no.

CO-CHAIR CALARCO:

Keep going.

COMMISSIONER NARDELLI:

We have Capital Project 1819 countywide licensing software program. That's the Accela software that will end up running the Taxi and Limousine Commission. And we purchased the software in lieu of hiring additional staff to run the T&LC. So we have \$500,000 in the 2015 budget. And that was actually reduced by \$535,000. We have \$535,000 in 2016; 250,000 in 2017; and 250,000 in 2018. And we are on mark for the launch probably -- we were delayed a little bit so we're looking at mid-June. We're through phase I. We start to implement the testing phase. We already started actually. We started a little last week, a little this week. And we're going to be training some hires; two hires that will be running the T&LC so we are on track. And without it, we really can't -- couldn't get the Taxi & Limousine Commission up and running so we ask that that also be continued for 2016 through 2018.

CO-CHAIR CALARCO:

Okay. Anything else?

COMMISSIONER NARDELLI:

That's it.

5/20/2014 Capital Budget re: Econ Development/Gov Ops, etc

CO-CHAIR CALARCO:

Thank you, Frank. Any questions for Frank? All right, seeing none thank you very much. We appreciate your time.

Do we have anybody else here follow who would like to address the joint Government Operations and Economic Development Committee? Going once, going twice. All right, we are adjourned. And I'm going to hand the the mike off to Legislator Hahn who will start Environment very soon.

**THE MEETING CONCLUDED AT 3:18 PM
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