GOVERNMENT OPERATIONS, PERSONNEL, HOUSING & CONSUMER PROTECTION COMMITTEE

OF THE

SUFFOLK COUNTY LEGISLATURE

MINUTES

A meeting of 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 November 6, 2015.

MEMBERS PRESENT:
Leg. Robert Calarco, Chairperson
Leg. William J. Lindsay, III, Vice Chair (Excused Absence)
Leg. Jay Schneiderman, Deputy Presiding Officer
Leg. Thomas Cilmi
Leg. Kevin J. McCaffrey (Excused Absence)

ALSO IN ATTENDANCE:
George M. Nolan, Counsel to the Legislature
Sarah Simpson, Assistant Counsel to the Legislature
Jason Richberg, Chief Deputy Clerk of the Legislature
Robert Lipp, Director/Budget Review Office
Laura Halloran, Budget Review Office
Benny Pernice, Budget Review Office
Katie Horst, County Executive's Office
Amy Keyes, Economic Development and Planning
Robert Braun, County Attorney's Office
William Shilling, Aide to Leg. Calarco
Catherine Stark, Aide to Leg. Krupski
Brian Sapp, Aide to Leg. Lindsay
Chris DeLuca, Aide to Leg. Cilmi
Greg Atherton, Aide to Leg. McCaffrey
Jason Hann, Aide to Leg. Schneiderman/DPO
Marianne Garvin, CDC of Long Island Copiague Commons
Jason Smagin
Allan Handelman
Diane Burke, Habitat for Humanity
Kathryn Gutleber, Habitat for Humanity
Jonathan Keyes, Town of Babylon
Kathy Malloy, AME
Barbara Stoothoff, SC Labor Department
And all other interested parties.

MINUTES TAKEN BY:
Diana Flesher, Court Stenographer

THE MEETING WAS CALLED TO ORDER AT 10:11 AM

CHAIRPERSON CALARCO:
Okay, good morning and welcome to the Government Operations, Personnel, Housing and Consumer Protection Committee. If we could all please rise for the Pledge of Allegiance led by Legislator Schneiderman.

SALUTATION

Okay. Good morning and welcome to Committee. I have two excused absences for Legislator McCaffrey and Legislator Lindsay.

PUBLIC PORTION

We are going to move into our agenda. I have no correspondence. We'll go right to the Public Portion. And I have a few cards here. The first speaker is Marianne Garvin.

MS. GARVIN:
Good morning. I'm Marianne Garvin, President and CEO of Community Development Corporation of Long Island. Thank you for allowing me an opportunity to share with you some information about the latest CDCLI Conifer Realty Development located in Copiague. CDCLI and Conifer Realty have developed 619 rental homes over the years including Wincoram Commons, which this Committee supported with the County's infrastructure program. We could not have built Wincoram without that support and we thank you for that.

Similarly, we cannot build Copiague Commons without the County's Infrastructure Program and hope that you will support our request for $750,000 to offset improvements such as curbs, sidewalks, lighting, drainage, utility, sanitary systems and the like.

Copiague Commons will create 90 affordable rental homes with 71 apartments set aside for households earning up to 60% of the area median income, which ranges from 45, $46,000 to about $65,000 depending on the family size. The remaining 18 homes will serve households up to 130% of the area median income, which ranges from about $99,000 to $142,000 depending on family size.

There will be 54 one-bedroom apartments and 36 two-bedroom apartments. Copiague Commons is a community revitalization project located across from the train station. We are demolishing an existing industrial building and constructing two four-story multifamily buildings, which surround a courtyard. This project is part of a broader redevelopment plan for downtown Copiague undertaken by a local stakeholder group that was convened by Sustainable Long Island and the Town of Babylon in 2009. This downtown implementation committee was comprised of civic organizations, business leaders, the school board, religious leaders and elected officials.

From this Copiague Vision Plan, the Town of Babylon created the new downtown Copiague zoning code, which was supported by local residents and adopted this past summer. Copiague Commons is the first development to be approved by the Town under this code. The New York State Homes and Community Renewal has granted funding under the Community Development Block Grant Disaster Recovery Program due to the severe impact of Superstorm Sandy on Copiague. Also a new state program to encourage affordable housing for middle income people is what is enabling us to set aside 20% of the apartments for an underserved demographic creating a true mixed income community designed to encourage young professional people and empty-nesters to live in Copiague's pedestrian-friendly, transit-oriented downtown. The balance of the funding is tax exempt bonds and $350,000 from CDCLI Funding Corporation.

The development will have Energy Star rating and Enterprise Green Community Certification. And other project amenities include 90 on-site parking spaces, a fitness room, a community room, on-site laundry and on-site management, which is also very important.

Thank you for your consideration under this infrastructure program. Thank you.

CHAIRPERSON CALARCO:
Thank you, Marianne. Does anybody have any questions for Miss Garvin regarding Copiague Commons? We don't have any questions at this time, but perhaps you might want to stick around in case something comes up when the resolution's before us.

MS. GARVIN:
Definitely will.

CHAIRPERSON CALARCO:
Thank you, Miss Garvin. Our next speaker is Diane Burke and Kathryn Gutleber? Gutleber.

MS. BURKE:
Okay, thank you. Good morning. Diane Burke. I'm the CEO of Habitat for Humanity of Suffolk. And this is Kathryn Gutleber, our Manager of Real Estate. We're here to talk about 1803, which is, I guess, a transfer of property in Riverhead to Habitat. We just wanted to thank you for considering transferring property to us in Riverhead so that we can bring affordable housing habitat style to the Riverhead community. That's it.

CHAIRPERSON CALARCO:
Okay. Thank you very much, Diane. Did Kathryn want to speak at all? No? Okay.

MS. GUTLEBER:
No. She's my backup. I agree with what she said.

CHAIRPERSON CALARCO:
Your backup, okay. Just in case. Very good. Thank you very much. Okay, our next speaker is Jonathan Keyes.

MR. KEYES:
Good morning. My name is Jonathan Keyes. I'm the Director of the Office of Downtown Revitalization for the Town of Babylon. And I'm just here on behalf of that office and the Planning Department at the Town of Babylon to support the request by Conifer Realty and CDC of Long Island for funding to support Copiague Commons.

The Town has worked with the developer on this project for well over a year. We've had four community meetings. This project has the support of the community. It also includes a significant amenities package that will be provided to the Town and to the community that includes support for a new downtown facade improvement fund and infrastructure improvements that will connect to the downtown areas. It's directly across from the train station. It is a project that we hope will start the revitalization of downtown Copiague. We're all very excited about it. Thank you very much.

CHAIRPERSON CALARCO:
Thank you, Jonathan. Does anybody have any questions for Mr. Keyes? Seeing none, thank you very much. Perhaps again you might want to stick around for questions when the item comes up on the agenda. I have no other cards before me. Is there anybody else like to address the Committee?

TABLED RESOLUTIONS

Okay, seeing none, we're going to move into the agenda. I have no presentations so we'll go right to Tabled Resolutions.

IR 1679, Appropriating funds for acquisition of Land for Workforce Housing (CP 8704). (Co. Exec.). I'm going to make a motion to table.

D.P.O. SCHNEIDERMAN:
Second.

CHAIRPERSON CALARCO:
Second by Legislator Schneiderman.

LEG. CILMI:
Mr. Chairman, is there anybody from the County Executive's Office here today who could speak to IR 1679 and 1680?

CHAIRPERSON CALARCO:
There is staff here, yep.

MS. KEYES:
Hi, Amy Keyes. I think you know me. From Economic Development and Planning. Do you have specific questions or do you want --

LEG. CILMI:
Just, if you could, tell us about 1679.

MS. KEYES:
Sure. So 1679 is, we're requesting to appropriate $1 million for the land acquisition component of Workforce Housing Funding. We currently have $4.85 million in earmark requests. And with the money that's already been appropriated, 2.79 in available funding. So we're looking to cover that delta. That's -- that's -- those are the current requests that were projects we know of that we have applications in on. And then in addition we're anticipating receiving a request from approximately nine other projects across the County, projects from Southold, Yaphank, Lindenhurst Village, Ronkonkoma, Bellport, Brentwood, Huntington Station where they have the Renaissance downtowns, Holbrook. There's a number of projects that we haven't got applications for yet but that we're anticipating on the land side.

LEG. CILMI:
So $4.8 million of requests. And those would come in from the Towns, I suppose? And Villages?

MS. KEYES:
Right. And the developer.

LEG. CILMI:
And the developer.

MS. KEYES:
Usually it is the developer who approaches us, but we don't consider until we have the local municipality support in the form of some sort of resolution.

LEG. CILMI:
So even when it comes to land acquisition, it's the developer that approaches us?

MS. KEYES:
Sometimes it can be, yeah.

LEG. CILMI:
And you said we have 4.8 million of earmarked requests and 2.79 of, what, appropriated -- funding that's already been appropriated?

MS. KEYES:
That's right.

LEG. CILMI:
And this million dollars would -- would --

MS. KEYES:
It would cover --

LEG. CILMI:
It would shrink the delta. It doesn't -- it doesn't cover the delta.

MS. KEYES:
Exactly. That's right. Because we're not that -- it's about timing. So that million dollars, we feel, based on where the projects are at, that we have the request from, would cover us through next year. But it's not -- you're right, it's not covering the entire delta.

LEG. CILMI:
And Capital Project 8704 is just a -- it's sort of like an overarching project that covers land acquisition for workforce housing across the board; correct?

MS. KEYES:
That's right, yes.

LEG. CILMI:
How much money is in that Capital Project?

MS. KEYES:
Right now we have appropriated the 4.85 -- ah, the 2.79 in land.

LEG. CILMI:
But how much is -- how much -- that's how much the Legislature has already appropriated. How much is in the actual budget?

MS. KEYES:
For 2015 it's the million dollars.

LEG. CILMI:
Okay. So it's just a million dollars that's in the 2015 budget.

MS. KEYES:
U-hum.

LEG. CILMI:
And the 2.79 that's already been appropriated is from prior years?

MS. KEYES:
Right. 2009 and 2014 being the last two appropriations.

LEG. CILMI:
U-hum. And the workforce housing that this money will be appropriated towards, what other resolutions will come before us to determine whether or not we should be doing that?

MS. KEYES:
We have to --

LEG. CILMI:
Those projects?

MS. KEYES:
We have to come back with an authorizing resolution. Like what you're seeing today with Copiague, that has to come forward anytime you want to actually expend land or infrastructure money.

LEG. CILMI:
So the Copiague project that's on the agenda for later, we've already appropriated --

MS. KEYES:
Right.

LEG. CILMI:
-- money for the land acquisition in that project?

MS. KEYES:
They're not getting land money. They're just requesting infrastructure money, but, yes, that money is -- if that's approved, that will come from preexisting appropriations.

LEG. CILMI:
Okay.

MS. KEYES:
We can't spend anything without authorizing resolutions.

LEG. CILMI:
Right. And the million dollars that we're being asked to appropriate today, what does that go towards exactly?

MS. KEYES:
So --

LEG. CILMI:
I understand it goes to land, but where, what?

MS. KEYES:
Okay. So it would -- it depends on the timing when the projects are ready to close. But, for instance, we have land monies that are earmarked for -- to support the construction of the LGBT Senior Housing Project in Bay Shore. We have land funds that were earmarked to support the

Family Community Life Center in Riverhead. And we have land funds earmarked for -- yeah, Georgica Greens, which is in downtown Riverhead. So those are three projects which are moving forward, which we have applications on, which we would come back and that we would be looking to come back potentially next year -- hopefully next year to authorize the funding for.

LEG. CILMI:
And the owners of all of those parcels are private?

MS. KEYES:
Yes. I'm just making sure on those three, yes.

LEG. CILMI:
Okay. I think that's all of the questions I had for you, at least on this resolution, Amy.

MS. KEYES:
Okay.

LEG. CILMI:
I guess to Budget Review, this is a million dollars that will be paid out over the course of how long?

MS. HALLORAN:
Yes, this is appropriating the million dollars. And then the expenditure would require a separate resolution for the subproject; approving the subproject.

LEG. CILMI:
Okay. I mean --

MS. HALLORAN:
And the estimated debt service over the life of a 30-year bond is point -- a little over 1.7 million.

MR. LIPP:
The problem with the debt service schedule is, I don't recall since the '70s even, that we've ever issued a bond for 30 years. So what it would be is part of a bond issue, whenever the project was -- needed the money down the road year, a year or two. And then the debt service would be over the term of whatever the bond was issued for, not just for this project but for like 120 different projects. It's averaged 18 years, but the most recent bond was down a lot. It's only an 11-year bond.

LEG. CILMI:
So why did you bring up the 30 year? I missed that.

MR. LIPP:
Because the Executive's fiscal has a Financial Impact Statement which effectively is what the debt service would be.

LEG. CILMI:
Over a 30-year period?

MR. LIPP:
Right. And we will not issue --

LEG. CILMI:
Why would he issue a Fiscal Impact Statement that -- that -- that -- that talks -- talks to a annual

fiscal impact over a 30-year period when you can't remember us ever paying for a bond over 30 years and their average is 11 years?

MR. LIPP:
So it's -- I'm not going to explain necessarily why they did whatever they did because I don't know what they did exactly other than I can surmise that the period of probable use -- the period of probable usefulness in state law says that they could issue a bond for 30 years for that type of project.

LEG. CILMI:
Right, but -- but it sort of artificially predicts what the annual fiscal impact would be if, in fact, we're not going to -- you know, if we're going to pay for something over 11 years that they're telling us the cost is "X" amount over 30 years, well, then it's actually going to cost us more over, you know -- each year over an 11-year period than it would if we paid for the thing over a 30-year period obviously.

MR. LIPP:
Correct.

LEG. CILMI:
Theoretically they'll be less interest cost if you pay for it quicker, I would imagine.

MR. LIPP:
The total, but the short run would be a little higher because they're paying it off --

LEG. CILMI:
Per annum; per year?

MR. LIPP:
It's like if you get a mortgage for 10, 15 years.

LEG. CILMI:
Sure.

MR. LIPP:
Close to 25, 30.

LEG. CILMI:
Right. Can I, through the Chair, ask the County Executive's -- somebody, you know, either you, Amy, or Katie, why would a fiscal impact statement talk a 30-year fiscal impact when that's not reality?

MS. HORST:
I don't have the answer for you, but I can get you one. I know bond counsel's involved in this, but we can -- I will get you an answer.

LEG. CILMI:
Okay. I have -- I have a number of concerns about this. I will support the tabling motion today and hopefully we can get answers at the next Committee meeting. I'm not sure that they'll ever satisfy me, though, in this particular case, to be honest.

CHAIRPERSON CALARCO:
I had a feeling that the situation -- but I think with this resolution as with the next one, these are

Capital Projects. The money is in the Capital Budget, but as we know with the Capital Budget, it's not really money, it's just on paper until we actually appropriate it and make sure that it's usable. And I think that's they're trying to do here is preserve those fundings otherwise it's -- it disappears at the end of the year.

LEG. CILMI:
Let me ask another question, if I could, Mr. Chair. What happens if this resolution were to fail today? Could it be -- it could be brought forward at another time; correct?

CHAIRPERSON CALARCO:
Give that to Counsel.

MR. NOLAN:
If it actually failed in committee, under our rules even the resolution that fails in committee, stays alive.

LEG. CILMI:
Right. It could be discharged.

MR. NOLAN:
It could be discharged by a petition or brought up in a -- it actually could be brought back before the Legislature by a motion. So that's the six-month rule. Or if it's defeated, then, it could be reintroduced at another meeting.

LEG. CILMI:
At any time without any constraint; correct?

MR. NOLAN:
Well, they got to get this -- if they want to appropriate this money, they got to do it by the end of the year. If it's not appropriated by a resolution like this, the money disappears. They won't be able to get it.

CHAIRPERSON CALARCO:
But I guess to your point, Legislator Cilmi, if somehow it was to die today, there's plenty of time for it to be brought back before this body again in a second attempt to pass this.

LEG. CILMI:
Right. Okay. Thanks.

MR. LIPP:
And if I may add, the statement I made was just to give you a better sense of what the debt service actually would be. If you want to wait a few minutes, I could tell you what that --

LEG. CILMI:
Yeah, actually that would be -- if you could -- if you could tell us what it's -- what it's listed to be in the Fiscal Impact Statement and what it would be under the average 11-year pay back that --

MR. LIPP:
So, just to make sure that we're on the same page, I didn't say that to, you know, to discredit the resolution at all. Just to give you a better --

LEG. CILMI:
No, I understand.

MR. LIPP:
And I'll probably use a 15-year pay back period, because it had averaged 18-years bonds until the last year or two. So, you know, we're talking in-house as to what we should lower it to. But, you know, 15 is probably a good starting point so I'll get back to you shortly.

LEG. CILMI:
Okay. Shortly, so should we wait to vote or --

MR. LIPP:
If you could maybe skip over it and then, you know, when I'm ready, I'll clue you in.

LEG. CILMI:
All right. Just go ahead and --

CHAIRPERSON CALARCO:
Okay, I have a motion and a second to table. All those in favor? Opposed? Abstentions? **IR 1679 is tabled. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

IR 1680, Appropriating funds for Infrastructure Improvements for Workforce Housing/Incentive Fund (CP 6411). (Co. Exec.) I'm going to make a motion to table; second by Legislator Schneiderman. Any questions you want to ask?

LEG. CILMI:
Yes.

CHAIRPERSON CALARCO:
Sure. Go ahead, Legislator Cilmi. Come on back up, Amy. I think they're going to be for you.

LEG. CILMI:
I just like chatting with Amy.

MS. KEYES:
You want me to just give you kind of the same run down on 6411 in terms of where we're at with money and --

LEG. CILMI:
Sure, sure. I may have some additional questions, but start there.

MS. KEYES:
So we have $7.26 million in earmarked requests and we've got $4.3 million in available monies in this fund. So, we're, again, trying to shrink that -- the gap so that -- we're anticipating closing on, you know, a good number of those next year, that we would be able to cover the existing earmarks. And the projects for infrastructure are, again, you know, across the County we have existing requests in Riverhead, we have a -- Riverhead -- Riverhead, Southampton, Islip. A new application from Farmingdale came in, East Hampton. And another one -- an additional project in Bay Shore, which is on the radar now. So, again, there are projects across the County.

LEG. CILMI:
Okay. So there is $2.5 million in this year's and the 2015 Capital Budget.

MS. KEYES:
Right.

LEG. CILMI:
For infrastructure improvements. Do we have any criteria for -- for where those infrastructure improvements should take place in terms of -- if they're on County roads, town roads, etcetera?

MS. KEYES:
They have to take place on-site so that's really the only hard criteria. They have -- it has to go toward site improvements. It can be landscaping, it can be lighting, it can be -- a lot of times it goes towards connect -- sewers connections or to a sewage treatment plant on site. There has to just be an improvement that's on site that's, you know, helping to get the site ready for the actual construction of the project.

LEG. CILMI:
And in the past we have spent money to improve assets other than County assets with this funding; correct?

MS. KEYES:
That's right.

LEG. CILMI:
And it's safe to assume that if we appropriate this funding today, that some, if not conceivably all of this money, would be used to improve assets other than County assets.

MS. KEYES:
Well, I can't -- I can't speak to what -- where the -- if -- that's on a development by developments basis.

LEG. CILMI:
Right.

MS. KEYES:
Included in the development agreement. So I can't speak to where those funds would -- what infrastructure improvements they could specifically go towards with any sort of --

LEG. CILMI:
So you're just asking for sort of a --

MS. KEYES:
Right, because --

LEG. CILMI:
I don't mean this to sound -- sound -- but you're asking for sort of a blank check --

MS. KEYES:
Well --

LEG. CILMI:
For twenty-five --

MS. KEYES:
It's not blank.

LEG. CILMI:
For $2.5 million.

MS. KEYES:
Right. I'm -- we're asking for it --

LEG. CILMI:
And we'll fill out the "pay to" at a later date.

MS. KEYES:
Right. We come back to you with an authorizing resolution. And if we -- you know, if it's not approved, the money's not spent. That's right.
LEG. CILMI:
So a million dollars from 1679, and $2.5 million in 1680. We're at the end of the year. It seems like you're coming to us now because, as the Chairman said, if we don't appropriate this money before the end of the year, it goes away. I'll support the tabling motion on this as well. Thank you.

CHAIRPERSON CALARCO:
Okay, I have a motion and a second. All those in favor? Opposed? Abstentions? **IR 1680 is tabled. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

IR 1752, (Adopting Local Law No. -2015) A Local Law to improve the County's Affordable Housing Program. (Hahn). I'm going to make a motion to table at the request of the sponsor; second by Legislator Schneiderman. All those in favor? Opposed? Abstentions? **IR 1752 is tabled. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

INTRODUCTORY RESOLUTIONS

IR 1803, Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Riverhead for affordable housing purposes. (SCTM No. 0600-126.00-04.00-039.000). (Co. Exec.) We are in the Introductory Resolutions now. I apologize for not saying that sooner. I will make a motion to approve.

D.P.O. SCHNEIDERMAN:
Second.

CHAIRPERSON CALARCO:
Legislator Schneiderman seconds but he's looking for an extra dollar. Any questions on the matter?

LEG. CILMI:
Yeah.

CHAIRPERSON CALARCO:
Legislator Cilmi.

LEG. CILMI:
If somebody could explain this project.

MS. KEYES:
Hi. Amy Keyes again. So this is a vacant lot. It's 40 by 125 feet in Riverhead that Habitat Humanity's going to develop in partnership with CDC in -- CDA in Riverhead.

LEG. CILMI:
What are they doing there?

MS. KEYES:
Building a single-family house.

LEG. CILMI:
One single-family house?

MS. KEYES:
Yes.

CHAIRPERSON CALARCO:
Maybe Diane will want to come up and she could speak a little bit --

LEG. CILMI:
Sure.

CHAIRPERSON CALARCO:
-- how they do their program.

MS. BURKE:
Good morning. Again, Diane Burke, Habitat for Humanity Suffolk. How are you?

LEG. CILMI:
Hi, Diane.

MS. BURKE:
So what Habitat does is we build single-family homes for those that meet income between 40 and 60% of the area median income. Basically we build homes that come with a zero percent equivalent mortgage and we promise to keep the mortgage taxes and insurance payments at or below 30% of our partner's income. We partner with volunteers from the community and the homeowner to build the home. And then it remains affordable through the covenants and restrictions that are tied to the land.

LEG. CILMI:
Um, so let me say first of all that I know you do great work.

MS. BURKE:
Thank you.

LEG. CILMI:
The -- you just said something that piqued my interest a little bit. You promise to keep -- read me that -- say that again.

MS. BURKE:
So at the time of closing --

LEG. CILMI:
Yeah.

MS. BURKE:
-- based on our families' income, we make sure that the house is affordable.

LEG. CILMI:
Right.

MS. BURKE:
How do we do that is we take their income and as a ratio for their housing expenses, which we consider to be taxes, insurance and mortgage, which again is a zero percent equivalent, it's actually a 2% SONYMA mortgage that get -- we write down the interest at the -- at closing so that it's equivalent to them paying zero percent. So we promise that the person that is going into the house can be a functioning part of the local economy. Their housing costs aren't going to strap them in such a way that creates a -- somebody living in the community that really can't afford to live there. It's truly affordable.

LEG. CILMI:
And this promise lasts for how long?

MS. BURKE:
Well, we promise that at closing so --

LEG. CILMI:
Right. But how -- in other words, forever?

MS. BURKE:
So that -- it never changes. So if their mortgage taxes and insurance, let's say, on average for a Habitat homeowner is about $800, that's what it will be. And those taxes go up, the payment goes up just like anybody else.

LEG. CILMI:
Until it's -- until it's paid.

MS. BURKE:
Until it's paid.

LEG. CILMI:
And then what happens?

MS. BURKE:
Then it's their home. The way the mortgages are structured and the way we sell the home --

LEG. CILMI:
Let me just interrupt you for a second. What I'm really trying to get at is the tax portion of what you said.

MS. BURKE:
Taxes are the taxes are the taxes. We don't change that. The taxes get paid just like any other homeowner in Suffolk County.

LEG. CILMI:
Okay. So but when you're -- so when you're -- when you're calculating the payment, though, you're taking the true taxes into consideration. You're not reducing the homeowner's obligation to pay the actual taxes on that property.

MS. BURKE:
It's a snapshot in time. So if you think about the day of the closing and what somebody is making, we take a snapshot. And at that time that mortgage is affordable. Now --

LEG. CILMI:
So if the taxes went up 20%, you would reduce your mortgage payment --

MS. BURKE:
If at closing the Town said "we're doubling the taxes -- "

LEG. CILMI:
Well, forget about closing. You know, closing is like -- as you said, a snapshot in time. Five years down the road, you know, you have somebody in the house, they've been paying and you know, all of a sudden taxes go up 20%. Property taxes go up 20%. What happens?

MS. BURKE:
They have to pay the taxes.

LEG. CILMI:
The full increase of the taxes.

MS. BURKE:
Yes.

LEG. CILMI:
And it doesn't change their payment associated with their mortgage at all.

MS. BURKE:
No. We have a very low failure rate at Habitat. Because what we're doing is we're setting someone up for success.

LEG. CILMI:
Right.

MS. BURKE:
We're not only teaching folks how to become a homeowner by having them help build the property --

LEG. CILMI:
U-hum.

MS. BURKE:
-- they now are responsible for learning how to save before they close. So we have a pretty intense savings program. We have a program where they learn how to make home repairs and they're ready to be homeowners. And these are your working families that are in Suffolk County. These are people that alternatively would be leaving --

LEG. CILMI:
Right, I understand.

MS. BURKE:
-- leaving a gap in our economy.

LEG. CILMI:
The property that we're talking about is a 40 by a 125 foot lot which is a vacant lot currently?

MS. BURKE:
Exactly.

LEG. CILMI:
And the County's investment has been -- looks like $4,720 or so. And this bill would effectively sell the property to the Town of Riverhead for one dollar. What's the likelihood that -- I don't suppose there would be any further requests to the County for funding such as the infrastructure funding from -- this is it.

MS. BURKE:
We fully fund our projects.

LEG. CILMI:
Okay. Thank you very much.

MS. BURKE:
You're welcome.

CHAIRPERSON CALARCO:
Okay. Any other questions for Miss Burke or Miss Keyes? Seeing none, I have a -- do I have a motion, Mr. Clerk?

MR. RICHBERG:
Yes.

CHAIRPERSON CALARCO:
We have a motion and a second. All those in favor? Opposed? Abstentions? **IR 1803 is approved. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

IR 1812 (Adopting Local Law No. -2015) A Local Law amending Chapter 563 of the Suffolk County Code to modify the laws relating to Septic Industry Business Training. (Co. Exec.) This needs to be tabled for a Public Hearing. I'll make the motion; second by Legislator Schneiderman. All those in favor? Opposed? Abstentions? **IR 1812 is tabled. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

IR 1816, Updating standard work day and reporting for elected officials 2015. (Pres. Off.) I will make a motion to approve; second by Legislator Schneiderman. Any questions? All those in favor? Opposed? Abstentions? **IR 1816 is approved. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

IR 1818, Authorizing the County executive to execute an agreement with the Suffolk County Police Benevolent Association amending the terms and conditions of employment for the period January 1, 2011 through December 31, 2018. (Co. Exec.) I will make a motion to approve.

D.P.O. SCHNEIDERMAN:
I will second.

CHAIRPERSON CALARCO:
Second by Legislator Schneiderman. Any questions? Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:
Mostly for Dr. Lipp. It's an interesting proposal. So it defers, what is it overtime and --

MR. LIPP:
It defers overtime or holiday pay or night differential. The choice would be of the employee.

D.P.O. SCHNEIDERMAN:
But they get it upon separation --

MR. LIPP:
Correct.

D.P.O. SCHNEIDERMAN:
-- at the rate that they're making. So have we done some analysis? I mean in the short term it certainly helps us.

MR. LIPP:
Right. So we said in the review 3.7 million was the estimate. And we -- and that was what we were told by the Budget Office for the Executive. And we did some quick calculations. And that number is a good number if you make the following assumptions: Number one, they could defer either 50, 100 or 150 hours. We chose 100 for this purpose.

D.P.O. SCHNEIDERMAN:
It's their choice how much they --

MR. LIPP:
Correct.

D.P.O. SCHNEIDERMAN:
So they can go up 150 hours.

MR. LIPP:
Yeah. Well, the option is one of the three you choose: 50, 100 or 150. And the assumption, which was used in the Recommended Budget, was that 20% would take this voluntary deferral. I really couldn't even venture a guess as to what the likelihood of that number being higher or lower. So I guess what we're saying is we -- we sort of see what the Recommended Budget implies and it's a shoulder shrug as to how it'll actually work out.

D.P.O. SCHNEIDERMAN:
So just, you know, for analysis, you'd have to, I guess try to figure out, when they would be getting the payout, how many years down on average and what the average differential will be, 2% a year. What does the contract provide in terms of raises? Is it about 2%?

MR. LIPP:
No, it's more than that.

D.P.O. SCHNEIDERMAN:
More than that.

MR. LIPP:
There are a lot of variables here. There are also promotions, too. So even if there was no salary increases --

D.P.O. SCHNEIDERMAN:
Promotion.

MR. LIPP:
You got a promotion, then, you know, you'd be making more before you punch out. Our focus, which we just finished, you know, reviewing and amending the Operating Budget, our focus, therefore, is on 2016, not beyond that.

D.P.O. SCHNEIDERMAN:
How much relief does this apply to 2016?

MR. LIPP:
Three point seven is the estimate based upon the assumption of --

D.P.O. SCHNEIDERMAN:
Three point seven million?

MR. LIPP:
Correct. And I guess you should be aware that if you don't adopt this, and that's your prerogative, then --

D.P.O. SCHNEIDERMAN:
The budget --

MR. LIPP:
-- in theory there would be a hole of 3.7 in the '16 budget.

D.P.O. SCHNEIDERMAN:
Budget. And this is --

LEG. CILMI:
And add that to all the other holes.

D.P.O. SCHNEIDERMAN:
-- approved by the union? Is this --

MR. LIPP:
This was a stipulation that was signed by the union head Noel and the head of Labor Relations.

D.P.O. SCHNEIDERMAN:
Does it have to go through ratification by the PBA or no? It's okay if you don't know that.

MR. LIPP:
I'm not sure.

D.P.O. SCHNEIDERMAN:
Lou in the back is saying it doesn't have to, so. Okay. It's a complete option. So they don't have to do this. They can just take their regular pay.

MR. LIPP:
Right. Like we said, voluntary. And the assumption is 20% participation. I really don't -- can't say, you know, what the -- what a good number would be.

D.P.O. SCHNEIDERMAN:
Okay.

CHAIRPERSON CALARCO:
Any other questions on the motion?

LEG. CILMI:
Not questions so much as statements.

CHAIRPERSON CALARCO:
Go ahead.

LEG. CILMI:
So basically what we're doing here is we're taking an expense that's today's expense and we're kicking it down the road to sometime in the future. This has been marketed as an idea to save money. This is not saving money. This may be saving money in our, you know, in our 2016 budget just on paper, but it's not saving money. This is going to cost us money in the future. This is going to cost us more money than it would cost us if we -- if we paid for it today, as we rightfully should.

And I don't believe we should continue to do this. I think this is bad fiscal policy. I'm not in a position to question whether a police officer would want to take advantage of this or not want to. To me that doesn't really matter. I mean for some police officers, I'm sure they would be happy to take advantage of this. And some I'm sure would be -- you know, wouldn't want to do it based on their personal situations. But from a county's perspective and from a taxpayer's perspective, this is bad fiscal policy. I'm not going to support it. And I'm not going to support a tabling motion either, by the way.

CHAIRPERSON CALARCO:
Okay. Based on that, I'm going to withdraw my motion to approve. I'll make a motion to table; second by Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:
Withdraw the second on the approval and make a second to the tabling, yes.

CHAIRPERSON CALARCO:
Okay. Any other discussion on the motion to table? All those in favor? Opposed? Abstentions?

LEG. CILMI:
Opposed.

CHAIRPERSON CALARCO:
Motion is tabled. **(VOTE: 2-1-0-2. LEGISLATOR CILMI OPPOSED. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

Moving on, one more Resolution, **1871, Authorizing funding of infrastructure improvements and oversight of real property under the Suffolk County Affordable Housing Opportunities Program (Copiague Commons). (Co. Exec.)**. I know Legislator Cilmi has some questions about the issue.

D.P.O. SCHNEIDERMAN:
Motion to approve.

CHAIRPERSON CALARCO:
Motion to approve by Legislator Schneiderman. I'll second the motion. If anybody from the administration or Miss Garvin, whoever, wants to come up and try to field the questions.

MR. SMAGIN:
Hi. Yes, I'm Jason Smagin, Assistant Director of Real Estate. I'll be calling up with me Allan Handelman from the Conifer Realty LLC and Marianne Garvin of Community Development Long Island, Inc. We also have Jonathan Keyes here from the Town of Babylon to answer any questions.

CHAIRPERSON CALARCO:
Yeah, if you want to sit at the table, that's fine.

MR. SMAGIN:
That might be easier, yes.

LEG. CILMI:
We have a lot of Keyes in government, don't we? Are you guys -- is there a relationship between --

CHAIRPERSON CALARCO:
They're married.

LEG. CILMI:
They're married, oh. Congratulations. Belated congratulations. What do I know?

All right. So, I guess, Mr. Chairman, I have the floor here.

CHAIRPERSON CALARCO:
Yes, it's yours.

LEG. CILMI:
So, talk to us about this particular resolution.

MR. SMAGIN:
Yes. This resolution is to support affordable housing in the Copiague Commons -- can you hear me -- in the Copiague Commons Project. It -- we -- the County would be contributing $750,000 to support the affordability of the project. These funds would be used for infrastructure. We could go into more details regarding what the funds would be used for. As I described, it's a 90-unit project, all of it being income-restricted. And we could go over the exact details again that Marianne gave earlier.

LEG. CILMI:
I understand the income restrictions. The thing I'm interested in is the $750,000 investment. What are we going to do with that $750,000 exactly?

MR. HANDELMAN:
Seven hundred fifty thousand dollars helps supports the infrastructure associated with the project. That includes utilities, parking lots. There's a -- lighting. There's a park that's on the site that's both amenity for the residents as well as available to the general public. So the $750,000 specifically supports that in large part.

The other key element is that it leverages all the rest of the funds that are associated with the project, which include a fair amount of other off-site amenities that the -- that this project is supporting: Street-scape improvements along Railroad Avenue up to Great Neck -- Great Neck Road and the like as well as the larger construction of the project.

MS. GARVIN:
I guess -- I don't know if you're interested in understanding the full financing of the project?

LEG. CILMI:
Sure.

MS. GARVIN:
So it's a $32 million project. And on the permanent financing side there's $8.4 million of tax exempt bonds. There's $1.8 million of a subordinate loan from Citibank. There is $8.75 million of Community Development Block Grant Disaster Recovery Funds; $350,000 from CDCLI Funding Corporation, which is our affiliate, which is a community development financial institution. And the Middle Income Program. And to my knowledge this is the first time the State is using that program on Long Island. It's really very innovative and allows us to have a more mixed income of 230 percent of area median, which is something that the community really wanted. That's $3.15 million. So, you know, there is considerable leveraging of the County funds.

LEG. CILMI:
Well, can I just interrupt you for a second?

MS. GARVIN:
Sure.

LEG. CILMI:
When we talk about leveraging County funds, how much money -- how much public money, taxpayer money is going into this project?

MS. GARVIN:
Well, the tax exempt bonds generate $8.4 million of private equity. And the rest of it is --

LEG. CILMI:
But with the -- with the 8.4 million in tax exempt bonds, so that the -- that's not a -- a fiscal cost today. It's just a -- you know, they don't have to pay interest on those bonds or tax, rather, on those bonds.

MS. GARVIN:
Those bonds generate the $8.4 million of private investment. And that's coming from Capital One.

LEG. CILMI:
Right. So, that's not really public money is my point.

MS. GARVIN:
Right. And then the Citibank funds, that's private, that's patient capital I call it, $1.8 million. And -- and then CDC's funds are private funds and --

MR. HANDELMAN:
The actual public funds there's 8.75 million of CDBG, which are Federal funds. And then the Middle Income Housing Program of 3.15 million and those are State funds.

LEG. CILMI:
And plus the -- I guess plus the 750,000 that we're talking about today.

MR. HANDELMAN:
Correct.

LEG. CILMI:
So we're talking about roughly $13 million.

MR. HANDELMAN:
That's correct.

LEG. CILMI:
And what's the overall project costs?

MS. GARVIN:
Thirty-two million.

LEG. CILMI:
So nearly a third of the overall project costs is being born by the taxpayers here?

MS. GARVIN:
That's right, in order to support the affordability element of development.

LEG. CILMI:
For how many residents?

MS. GARVIN:
Ninety households.

LEG. CILMI:
Ninety households.

MS. GARVIN:
Yes.

LEG. CILMI:
So taxpayers are paying almost $13 million to support 90 households. What does that math work out to really quickly? What's the -- do the quick division for me, somebody over there. What's 13 million divided by 90?

MR. LIPP:
Fourteen point four percent.

LEG. CILMI:
But what's the dollar amount? What's the dollar amount of $13 million divided by 90?

MR. LIPP:
One hundred forty-four thousand per household.

LEG. CILMI:
A hundred forty-four thousand dollars per household is what the taxpayers are being asked to pay for these folks.

MS. GARVIN:
To keep it affordable for over 30 years.

LEG. CILMI:
I mean, do you agree that there's a limit to what we should be doing in terms of keeping things affordable? We just -- taxpayers can't afford living here as it is. So we're going to ask the taxpayers who can't afford to live here to pay for other people who otherwise couldn't afford to live here?

MR. HANDELMAN:
The $8.15 million is Federal funds that were targeted for disaster relief for Hurricane Sandy as well as tropical storms Irene, and I believe, Ruth.

LEG. CILMI:
And how does that apply in this case?

MR. HANDELMAN:
In this case these are Federal funds that were allocated to New York State and New York Sate has the ability to allocate that in areas that have been affected. So these are funds that have been allocated from the Federal government. And it's coming -- these funds are specifically dedicated to this community, but in this case in a competitive format, they have have been awarded. There's many -- there's a fair amount of disaster relief funds that, to my mind, should have been allocated to Long Island that are being spent Upstate.

LEG. CILMI:
Are your -- are the residents that will be -- that will be in this facility, are those residents all -- have they all been impacted by Sandy? Have they been put out of their homes as a result of Sandy? Is that one of the criteria that you use in selecting your residents?

MR. HANDELMAN:
There's a preference. So individuals that have been affected by Sandy do have a preference. One of the problems is Sandy happened several years ago and the Federal government was slow to -- to get some of these funds here. But certainly the Copiague community has -- wasn't materially impacted by Sandy. And part of -- part of what's being done here is an economic development project to support downtown Copiague as a viable center of commerce. And one of the keys things is having people living in and around downtown adjacent to transportation.

LEG. CILMI:
And has the County been asked, or any other County agency, been asked to support this project in anyway? In any other way? Financially?

MR. HANDELMAN:
No.

LEG. CILMI:
And the -- the -- so the $750,000 is being used to offset improvements on the property itself.

MR. HANDELMAN:
That's a requirement, yes, of the program.

LEG. CILMI:
So -- and your company, as a developer on this project, would otherwise have to pay that money?

MS. GARVIN:
There's underwriting that's done by the State, that looks at all the different sources of money and all the expenses related to building out the job. And there's not one penny more in the job than is needed to get the job done. So without this funding from the County, this job wouldn't go forward.

LEG. CILMI:
I don't believe that. So you have a $32 million project that's being supported with $13 million of taxpayer money roughly, or 12 million without our funding. And you're going to tell me that if the County doesn't spend $750,000, this project's not going to happen? I don't believe that for a minute.

MR. HANDELMAN:
As we assemble, there's multiple funding sources that are associated with this project. We've worked with the County on their infrastructure program. Their infrastructure program is designed to support affordable housing. As we go through a competitive application process with state agencies, we've obtained support from the Office of Economic Development, you know, with the anticipation that these funds would be available. And that's a key element in the competitive nature for these funds so that they come to this area as opposed to other areas in New York State. So the deciders who are involved in allocating these funds look to local contribution as a material level of support both economic -- both financially as well as political.

LEG. CILMI:
I'm not sure if this is a fair question to ask but I'm going to ask it anyway. To what extent will your firm profit from this development? And if you can't answer, I understand.

MS. GARVIN:
There's a profit built into the building of any affordable housing --

LEG. CILMI:
Naturally.

MS. GARVIN:
-- element. But it is limited.

LEG. CILMI:
Well, of course, it's limited. Profit on any business is limited, though.

MS. GARVIN:
It's limited to much less than if it was a market level development.

LEG. CILMI:
Okay. And what's it limited to?

MR. HANDELMAN:
First of all, there's a risk associated with it.

LEG. CILMI:
Of course there is. Listen, you have a business model. I'm not -- and you're a businessman. I don't -- I think profit is good.

MR. HANDELMAN:
In rough dollars and cents the profit for the developer fee that we earn is about $1.8 million.

LEG. CILMI:
Okay.

MR. HANDELMAN:
And we are limited in terms of the rents that we can charge. So there's very little -- in our business model, there's limited upside in creating additional -- additional value in the building over a period of time. So our model is simply to -- that's where the developer fee comes in.

LEG. CILMI:
Sure.

MR. HANDELMAN:
There's significant risk --

LEG. CILMI:
Obviously.

MR. HANDELMAN:
There have been projects that we've gotten involved in where we penciled out a profit of, say, a million dollars and we actually lose money. For a variety of different reasons.

LEG. CILMI:
Sure. That's sort of the nature of developing -- the nature of the beast, I understand. How long will it take to pay this project off entirely? The money that's being invested here, how long -- how long does it have to -- how long is the mortgage, if you will?

MR. HANDELMAN:
The mortgage -- the traditional debt is the tax exempt bonds, which is the bond financing and that's a 30-year -- 30-year mortgage. The other funds are paid out of cash flow. Some of it's one percent money interest only so at the end of 30 years, that debt -- that debt would need to be refinanced.

LEG. CILMI:
Okay. So you don't --

MR. HANDELMAN:
As is the County -- the County money has the same structure.

LEG. CILMI:
Okay.

MR. HANDELMAN:
So at the end of 30 years, it would be repaid.

LEG. CILMI:
And $750,000, if we were to -- if we were to pay for that in the same manner, if we were to just add that to the rest of the debt, what does that -- what does that add to the annual cost associated with paying for this?

MR. HANDELMAN:
I can't really answer that right off the top of my head, but our debt is fully leveraged in terms of the bonds. So it -- there wouldn't -- there's not sufficient income to service any more debt.

LEG. CILMI:
Robert, can you speak to that? If you spread out $750,000 over 30 years.

MR. LIPP:
The file that I have -- the file that I have doesn't go out 30 years. I could look up another file and get back to you. It'll take me several minutes.

LEG. CILMI:
All right. Mr. Chairman, I'm not convinced that in the fiscal climate that we're in here in Suffolk County, that this is something that we can afford. So I'm not sure how you want to -- how you want to proceed.

CHAIRPERSON CALARCO:
Okay.

D.P.O. SCHNEIDERMAN:
Would you support a discharge without recommendation?

LEG. CILMI:
I would support a tabling motion.

CHAIRPERSON CALARCO:
So I will withdraw my motion. I'll make a motion to table and second by Legislator Schneiderman.

You know, I hear what you're saying, Legislator Cilmi, regarding how much public financing is going into a project like this or other affordable housing projects that we're doing on the Island and around the area. I hear people all the time bring up, "oh, it's all tax dollars, it's tax dollars whether it's Federal money or State money," but I gotta be honest with you, the LIA just did a report early this year. They showed how much money we spend -- we send off of Long Island to Albany and to Washington DC that we don't get even close to back. And as long as the Federal government or the State government has programs that are like these, that allow us to bring some of those dollars back, I'm for bringing them back. Because the reality is, is far more of our money is going to places like Mississippi, where you're talking Federal dollars, or Upstate New York when you're talking about State dollars that are coming back here. And we have to grab every dollar we can grab. And I don't care that it's taxpayer dollars because the reality is it's our dollars that are being sent someplace else anyway so we my as well get them back. When it comes to --

LEG. CILMI:
I don't mind getting money back. I mind spending the money here.

CHAIRPERSON CALARCO:
This is a way to get the money back. As for our housing programs, you know, you're right. It is unfortunate that the County has to expend so much money to support creating affordable housing opportunities on this Island, but the reality is this is all economics. We do not have enough apartments on Long Island to support the need. As a result, apartments are expensive. In fact, the last place I rented before I got married and owned a place cost me more than the house I own now with my mortgage and taxes, insurance and everything else.

So the reality is that the market is just not functioning. It's functioning the way supply and demand works. We just don't have enough supply. It's as simple as that. And the problem is, is that part of this goes to the ability to create that supply. And developers are certainly in some ways more encouraged to develop single-family housing because it pays betters on the bottom line for them. And the towns don't exactly give them the highest density that they need.

You can point to Patchogue Village and the economic development that comes along with affordable housing and the investments that the County's made versus what we've been able to leverage there, but I'll point to the very first project built in Patchogue Village, which was Seacrest Village, but it's 16 units per acre. And that was completely privately funded. But they also had the advantage of having sewers that connect, which gave them the density needed and the support of the municipality to give them 16 units per acre.

What's your units per acre or this project for Copiague?

MR. HANDELMAN:
Forty-eight units per acre.

CHAIRPERSON CALARCO:
Forty-eight units per acre. So you're getting some pretty good density there, huh?

MR. HANDELMAN:
Good density and --

CHAIRPERSON CALARCO:
But you're also connected to Southwest Sewer District; correct?

MR. HANDELMAN:
That's correct. I might add that we are making public improvements along Great Neck -- along Railroad Avenue up to Great Neck underneath the Long Island Railroad tracks for parking that serve the general public, that serve downtown Copiague as well as impact fees to the school district, to the fire district so the --

CHAIRPERSON CALARCO:
That's where your infrastructure money's going that you're getting from the County.

MR. HANDELMAN:
No, our infrastructure money's going to -- is restricted to infrastructure on this site.

CHAIRPERSON CALARCO:
Okay.

MR. HANDELMAN:
Because this -- the -- the program that Suffolk County has requires that funds stay on-site and that there's a -- that there's a mortgage instrument associated with that.

CHAIRPERSON CALARCO:
What kind of units are you putting on the site? How big are they, one-bedrooms, two bedrooms? How many -- what's the breakdown?

MR. HANDELMAN:
The breakdown is two/thirds one-bedrooms, one/third two-bedrooms.

CHAIRPERSON CALARCO:
Okay. How much -- what will your taxes be at the end of the day whenever benefits or breaks are gone? What are you only paying in taxes on this property?

MR. HANDELMAN:
Taxes start off with a pilot through the IDA at $70,000 and go up incrementally near 15 up to $100,000. And then they -- they increase -- increase up to full market at the end of the thirty-year period.

CHAIRPERSON CALARCO:
What full that full market be at the end of the thirty? Do you have that? You may not have that since we're going so far out.

MR. HANDELMAN:
I don't have that.

CHAIRPERSON CALARCO:
Okay. How many -- how many children do you think you're going to get out of this building; school-age children?

MS. GARVIN:
I don't think we're going to have very many because there aren't that many two-bedroom units. This is really more geared to young professionals and empty-nesters.

CHAIRPERSON CALARCO:
And it's going to be right next to the train station there in Copiague.

MS. GARVIN:
Correct.

CHAIRPERSON CALARCO:
So the idea is that you're going to give a place for people to live and then they can just literally hop on the train and go into the city, go to work in the morning.

MS. GARVIN:
That's right. And this does have the support of the school district.

CHAIRPERSON CALARCO:
Sure. I'm sure it does. When we built New Village in Patchogue almost 300 units, I think they have one school-age child in that building right now. Sure, you got another question, Mr. Cilmi?

LEG. CILMI:
Yeah. So a couple of things. First of all, so this is being supported by IDA tax breaks as well?

MR. HANDELMAN:
That's correct.

LEG. CILMI:
Okay. So that's another benefit that we really didn't consider before. But here's the thing that made me chuckle while you were speaking. And this is just -- this is just the utter stupidity in my mind of government. So we're charging you impact fees. And we're making you pay for improvements to public property outside of the scope of your development, right?

MR. HANDELMAN:
That's correct.

LEG. CILMI:
How much is that costing you?

MR. HANDELMAN:
I don't have the exact breakdown, but it's in the order of 500,000 to $800,000.

LEG. CILMI:
Five hundred to what? I missed it.

MR. HANDELMAN:
To eight hundred.

LEG. CILMI:
Five hundred to $800,000. So -- so we're going -- we're telling you to make improvements to roads and other things that have nothing to do with your development, that are going to cost you 500 to $800,000. And we're going to give you $750,000 to make improvements to -- what are we doing? This is just bizarre. Do you see the absurdity here?

MS. GARVIN:
I think the entire project is to revitalize downtown Copiague. And the goal is to generate economic development activity.

LEG. CILMI:
But, but --

MS. GARVIN:
And to incentivize other private investment to come after us.

LEG. CILMI:
I understand. So why wouldn't we just -- why wouldn't we just not give you the money for the improvements on your property. And say "you know what, don't worry about the other stuff because it's not your responsibility. It's our responsibility to take care of that other stuff." Why wouldn't we do that?

CHAIRPERSON CALARCO:
I think, Legislator Cilmi, what you're missing is that we're actually getting something for our money other than --

LEG. CILMI:
I'm not missing anything, Mr. Chairman.

CHAIRPERSON CALARCO:
Oh, no, I think so.

LEG. CILMI:
No, I'm missing a thing.

CHAIRPERSON CALARCO:
We are getting something for our investment. It's not that this investment's being made and there's nothing that's coming along with it. There -- we are getting a continuum of affordability out of these units so that people will have a place to live going forward through a private development. And that's what we're achieving here. We're not actually -- you know, it not -- it's no different than many of our other programs, no different than the farmland program that we buy the development rights and we are getting for that -- by that purchase is that that the property will stay in farmland in perpetuity.

LEG. CILMI:
I understand.

CHAIRPERSON CALARCO:
What we're getting out of this is the fact that these properties -- these units will be affordable for the long run.

LEG. CILMI:
I understand --

CHAIRPERSON CALARCO:
We are getting --

LEG. CILMI:
I understand what we're getting.

CHAIRPERSON CALARCO:
-- something out of it. It's not an investment with nothing coming back.

LEG. CILMI:
Mr. Chairman, I understand what we're getting. But I also understand a couple of other things. I understand that there are limits to what we can give, which others don't seem to understand. And I understand that -- that we are facing tremendous, tremendous, historic fiscal problems here in Suffolk County, which others don't seem to acknowledge. The fact that we are more than $300 million in pension debt, that alone underscores the fiscal challenges that we're facing here in Suffolk County.

I also understand that, you know, when I was -- when I was a kid going to college, I went to New York Institute of Technology in Old Westbury. And I used to drive through the neighborhoods up there, in upper Brookville and those places and think to myself this would be a really cool place to live. I don't live there. And I like where I live. I like Suffolk County. But never in a million years did it cross my mind to say, you know, because I want to live there and it's beyond my financial means to live there, somebody else should pay for that.

Now we have invested millions of dollars in affordable housing. And I have supported the investment of millions of dollars in affordable housing, but there are limits. I was past that part of my argument. And I'm past that part of my argument now. What I'm pointing out here is the absurdity of the fact that we're asking this private business person to pay for infrastructure improvements on roads that have absolutely nothing to do with his development. They may lead into his development, but it's not his development. And on the other hand we're going to give him money to make infrastructure improvements on his development. It's just -- it's bizarre. Why wouldn't we just say to this man "forget about paying for all of the roads that really aren't your responsibility, they're municipal responsibility and pay for what is your responsibility." Why would we say that? It doesn't make any sense to me.

CHAIRPERSON CALARCO:
That I can't disagree with you about. I don't know why -- whoever the impact fees are coming from, they're being charged.

MR. KEYES:
May I may address the question of the off-site improvements?

CHAIRPERSON CALARCO:
Sure, go ahead, Jon.

MR. KEYES:
The Downtown Copiague Zoning District was drafted to allow as of right density of 35 units per acre. The off-site improvements are density bonus that has been written into the code. So in order to achieve the number of units that are on the site, the developer has to provide a certain number of amenities or package of amenities that has to be approved by the town board. So those off-site improvements which are on the same road and are very pertinent to the development are part of that density bonus.

LEG. CILMI:
So the town board has enacted certain rules that amount to this man having to pay money out of his pocket for things that he shouldn't be responsibile for quite -- in my view, anyway. And now you're asking us, you the town, who forced him to pay for things that shouldn't have been his responsibility, are asking us to pay $750,000 to him for things that should be his responsibility. That's not right, Mr. Keyes. It's not right.

MR. KEYES:
I think you have to consider that development doesn't happen on standalone sites that are isolated pods; that development is part of a continuum. And this particular site has the potential. And we believe the investment will create value for the downtown area well beyond the public investments that are being made.

LEG. CILMI:
Great. So take the money that you forced him to pay you for improvements that shouldn't have been his responsibility and give that back to him to support this affordable housing.

MR. KEYES:
If we do that, we can't approve the density bonus. And, again, the project doesn't happen.

LEG. CILMI:
That's your problem; not ours.

CHAIRPERSON CALARCO:
Okay, I think we've exhausted this. We have a motion to table and a second. No, no, we're done. There's no votes here for this right now. We have a motion to table and a second. All those in favor? Opposed? Abstentions? **IR 1871 is tabled. (VOTE: 3-0-0-2. LEGISLATORS LINDSAY and MC CAFFREY NOT PRESENT)**

I have no other items before me. If there's nothing else to come before us, we are adjourned.

THE MEETING CONCLUDED AT 11:18 AM
{ } DENOTES SPELLED PHONETICALLY