

**ECONOMIC DEVELOPMENT
HIGHER EDUCATION
and
ENERGY COMMITTEE
of the
SUFFOLK COUNTY LEGISLATURE**

Minutes

A regular meeting of the Economic Development, Higher Education & Energy Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on Wednesday, **August 18, 2004**.

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MEMBERS PRESENT:

Legislator Lynne Nowick • Chairperson
Legislator Angie Carpenter • Vice•Chair
Legislator Brian Foley
Legislator Jon Cooper
Legislator Jay Schneiderman
Legislator Viloría•Fisher
Legislator Peter O'Leary

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ALSO IN ATTENDANCE:

Mea Knapp • Counsel to the Legislature
Jim Spero • Director of Budget Review
Joe Schroeder • Budget Review Office
Joe Muncey • Budget Review Office
Ilona Julius • Deputy Clerk of the Legislature
Ben Zwirn • County Executive's Office
Mike McGowan • LICVB
Charles Stein • Suffolk County Community College
Ed Hogan • Aide to Chairperson Nowick

Maria Ammirati • Aide to Legislator O'Leary

Gloria Rocchio

Michael DeLuise

Michael Eagan

Donald Whitehead

All other interested parties

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MINUTES TAKEN BY:

Donna Catalano • Court Stenographer

(*THE MEETING WAS CALLED TO ORDER AT 9:40 A.M.*)

CHAIRPERSON NOWICK:

Good morning. I'd like to start the meeting with the Pledge of Allegiance led by Vinny Frigeria and his lovely daughter Theresa.

SALUTATION

CHAIRPERSON NOWICK:

Good morning, and welcome to the Economic Development, Higher Education and Energy Committee Meeting. This morning we're going to be starting with a discussion with •• we're going to welcome Mr. McGowan. Would you like to come on up? Mr. McGowan, the new President of the Long Island Visitors and Convention Bureau. Good morning and welcome, Mr. McGowan.

MR. MCGOWAN:

Thank you.

CHAIRPERSON NOWICK:

This will be your first time appearing before the Suffolk County Legislature. You are in for a treat.

MS. ROCCHIO:

Lynne, I would just like to introduce everybody on this side of the table. I first of all want to

thank you very much for hosting this meeting this morning. I think it will be very productive. I'm Gloria Rocchio, I'm president of the Ward Melville Heritage Organization, and I'm the volunteer new Chair of the Long Island Convention and Visitors Bureau. And to my right here, Michael.

MR. MR. DELUISE:

Mike DeLuise. I am a Vice President of Dowling College, and I was the past chair of Long Island Convention and Visitors Bureau.

CHAIRPERSON NOWICK:

Good morning, Mike, nice to see you again.

MR. EAGAN:

Good morning. My name is Mike Eagan. I'm the owner of South Bay Paddle Wheel Cruises down in Bay Shore, also a board member of the CVB.

MR. WHITEHEAD:

I'm Don Whitehead. I'm the owner of Barrens Cove Inn in Sag Harbor, New York. I've been on the board for a number of years, involved mostly in the marketing area.

CHAIRPERSON NOWICK:

Good morning.

MS. ROCCHIO:

I'd just like to say a few words, Lynne, before you start talking with Moke. The Board of Directors as well as the Search Committee went through a very thorough search for the new president, receiving over 125 applicants from all over the United States for the president. The Search Committee was very pleased with the results. We narrowed it down to 12 •• 12 candidates that were interviewed. And then when Moke was the candidate, we were thrilled with his qualifications. He brings to the table 30 years of experience in marketing destinations. He does not come from a hotel industry or a restaurant industry, which is really good. He comes with a marketing background.

He also doesn't have any attachments to either the County, and that was the other •• the main reason we thought that he would be very good to take his skill sets forward and bring them to

another destination and use those successful skill sets on marketing Long Island. And with that, I turnover it over to Moke and you.

MR. MCGOWAN:

Good morning. As I said, I have been looking forward to this meeting. It's not dissimilar from some of the committee meetings that I enjoyed participating in with the South Carolina State Legislature as well as the Governor during my tenure in South Carolina. Obviously, tourism is a major portion of the economic drive for this Island. You look at a \$4.3 billion, and a lot of work, a lot of effort, certainly your involvement and understanding and recognition of tourism as that driver has been critical to success.

As Gloria said, I do really come •• I certainly don't come with an agenda other than to drive business forward, calling upon the skills, the knowledge, the experience that I've garnered over the past 30 years to do just that. I do look at calling upon certain marketing disciplines to do that effectively. We are on organizations that, like a lot of organizations, really lack significant amount of human and financial resources. So I think we have to be extremely smart. The other thing I would say is that convention and visitors bureaus nationwide are going through transitions, and that transition basically involves greater accountability, greater demands for productivity and a much more transparent form and fashion.

Convention and visitors bureaus have been going through a transition nationwide. It's a transition that's really brought about by greater accountability and demands for greater accountability and greater productivity under more competitive •• in a more competitive environment, but also in the arena of accountability. Rightfully I think bureaus have to operate in a much more transparent fashion and be much more collaborative and communicative and cooperative with the entities that they serve, be it a on public sector side or be on the private sector side. And that's a part that I'm looking forward to bringing to this table in working forward on behalf of both Counties in a collective sense.

I look upon the bureau representing both Nassau and Suffolk Counties really as the cooperate brand image developer under which all of the products of Nassau and Suffolk County can leverage their productivity as well. I will focusing a great deal of our marketing efforts in developing and really increasing our web presence. I think the internet is singularly the strongest marketing tool that's come about since the printed word, and it offers and affords us

an opportunity to compete far better than we have in the past and to carry our message, our imagine, our brand further afield than was done in the past. That's a tool that I think when you are dealing with limited human and financial resources, that's one that can be leveraged significantly.

So I'm looking forward to taking on the challenges. It's an interesting situation apparently that I found myself coming into, but one that I welcome. I do not know Long Island as a destination, as a product, and I think that's an advantage, I think it's asset, because I am for all practical purposes our customer. I'm the person that we want to influence, the person we want to create that desire for the Long Island product. For the next few months, I'll be enjoying being the quintessential tourist and exploring and discovering and understanding and enjoying all that Long Island has to offer. And I think that will make me that much better of a marketer.

One last element if I can, I am always •• I have always been, if you will, focused on the use of really two guiding principles to successful marketing, and that is it's researched based and that it is customer focused. When I say customer focused, I'm looking at our end user, the person we're trying too influence. It doesn't necessarily mean we're going to focus on a product to do that. We have to find out what the desires, what the triggers are, what the decision making factors are of our customers so that we can better appeal to them, we can develop more compelling messages that resonate with them, so that they will want to come and enjoy and experience Long Island. So that is what I'm hoping to bring to this table and looking forward to it and also looking forward to working with you, because there's no question in my mind there are going to be times when we absolutely need your input, need your help, need our assistance. And I look forward to establishing those relationships.

CHAIRPERSON NOWICK:

We all welcome you. And I think that you probably will be doing something that a lot of us have not done, and that is to go to all the different attractions on Long Island. I think when you live here, you don't even get a chance to do that. And you probably will be doing more than we are. And maybe you could just tell the committee that you will be moving here from Virginia, is it?

MR. MCGOWAN:

I'm moving here from Columbia, South Carolina. In fact, I have to return to the city, Columbia,

next week. The movers will be picking up my belongings and hopefully transporting them here by the first week •• last week of this month and then continuing on full time from there.

CHAIRPERSON NOWICK:

So in a week you'll be moving here?

MR. MCGOWAN:

Yeah. In fact, Mr. O'Leary is my representative. I'll be living in Bellport.

LEG. O'LEARY:

Welcome.

MR. MCGOWAN:

Thank you.

CHAIRPERSON NOWICK:

Does anybody have any questions? Legislator Schneiderman.

LEG. SCHNEIDERMAN:

I guess I'll start. Welcome, Moke. I represent the 2nd Legislative District, which is the district that is furthest from Nassau County, also has the most number of hotels and also is the largest collector of hotel tax revenues, which go to LICVB. I'm sure you're all to aware of the recent audit as well as the management letter from Comptroller Sawicki. I'd like to get you to respond as to what corrective actions you are taking so that similar extravagant expenses don't occur in the future.

MR. MCGOWAN:

Absolutely. And I'm also going to let Gloria and Michael assist me on that. The board is taking immediate and decisive actions along those. Let me first say that I drive an Acura as opposed to a Jaguar. We are we are going to be operating in a more transparent fashion, but also from a standpoint of controls of signing off on expenses within the bureau. And approving those expenses, it will take at least two individuals plus the Finance Committee's approval in order to move to approved some of the those expenses. I think the other side of it is likewise we're planning to move ahead with out market planning. A good portion of the previous expenditures

that made that were not really marketing driven will be looked at significantly, and they may not be a part of our future plans. And I'm talking in terms of sponsorships and things of that nature, if you will, something like the US Open. I'm just going to use this as an example. I would opt as opposed to sponsoring or being a sponsor at that event, I would opt to utilize those dollars to purchase air time, that we are able to run a commercialized message that we control that highlight and drives people to our website for more information about vacationing on Long Island. That's the type of marketing decisions I would be focused on.

MS. ROCCHIO:

Let me go into that a little further. One of the Comptroller's points that he had in his audit that he found, and we think it's subjective, is the sponsorship of some of these events; the Hampton Classic, the US Open, he felt those were inappropriate expenditures. But they were, you know, subjective on his part. On our part we thought we were supporting the Long Island economy, helping to drive more business to Long Island. But as Moke said, maybe the approach in the future should be to promote that event off Long Island so people will come to Long Island to see the Hampton Classic or see the US Open. And maybe that would be much more effective.

So those are the things that are going to be looked at. As far as travel and entertainment expenses are concerned, we already, even before the Comptroller's report came out, we passed resolutions by the board to control expenses. First of all, when they do travel out of the area, they have to conform to the IRS per diem standard as far as lodging and meals. They are not to •• they are to pay for lunches themselves whether on Long Island or off Long Island. And there are number of other things that we're going to look at actually tomorrow night. And we will have •• if we had met next week, we would have had a two page sheet that we could have handed you with all the financial controls in place.

MR. MCGOWAN:

Mr. Schneiderman, allow me to also address this from a slightly different perspective. I arrived in South Carolina in 1997 to take on the responsibility of State Tourism Director. And approximately five years before I arrived, the South Carolina Legislature was the focus of an FBI sting. And that sting operation resulted in some 18 or 19 indictments and about a half dozen individuals, both Legislators and staff, spent some jail time. That further resulted in the State Legislature passing probably one the strongest ethics legislation in the nation as far as State Legislatures are concerned. We called it the coffee cup legislation, simply because neither state employees or staff members of the elected officials down to the County level could accept

anything beyond a cup of coffee from a constituent or lobbying entity or what not.

About two years after that legislation was passed, however, they did identify that the legislation significantly impaired the Department of Commerce and the Department of Parks, Recreation and Tourism and the ability to drive business. And so a proviso was added that allowed a little bit more flexibility, certainly with the controls in place that made sure that those expenditures in driving business were appropriate in nature and hadn't signed off through a series of signatures. So that's part of what I bring to the table is that understanding and, I think, sensitivity to the issues of working with the public's money, but still being able to drive the business.

MR. DELUISE:

Can I say something too? I think you should be aware that the board was very appreciative with some of the stuff that was found out in that audit. There were things that we weren't aware of. As Gloria said, you know, being a volunteer board member, it's nice when you have elected official who can help you with some of that. And I do think we need to communicate more with you and some of our other people, people in Nassau and Suffolk. Really this is what it's all about, to help their business.

We are looking for an opportunity actually to sit down with the Comptroller, because as I said, there are things that really seem to be inappropriate; some of the spending, some of the dealings with elected officials and things. But there's also part of that audit, if you looked at the headlines, \$350,000, and Lynne, we mentioned this to you when we saw you, \$118,000 of that reflects an over payment by Suffolk County that there's an explanation that was given to the Long Island Convention and Visitors Bureau. Not only given to us, even when we questioned should we be getting it, we were told that we had to spend it. And that money was spent on behalf of Suffolk County. And then after that was done an audit through the County found that they shouldn't have given it to us, and that money is being taken back.

So I think that's important to understand that in that \$350,000 number, there are things that can be explained. And when you look at, you know, the trips, some of those trips, like the trip to Hawaii, that's a trip to Hawaii that brings convention business to Long Island. And it did bring business. So at least •• and we're looking now •• we would like to get an exit interview with the Comptroller, because I tell you, some of things that where there, we really feel

inappropriate and we need to take action. And we really appreciate that being pointed out to us.

Our job here •• I work at a college, Gloria works at a place that brings a lot of tourists in, Michael has a boat that brings •• that goes around Long Island taking care of tourists, and Don has a hotel. We're here to bring business to us. And one of the things I think is important for you to understand too is we needed your help we when asked •• the hotels asked for this room tax to be paid for visitors of Long Island to be paid by them to help us bring revenue in. And for whatever the problems you see in the LICVB, the revenue brought in over the years has been phenomenal.

And we •• when we look through •• I was on the Search Committee when we were looking for a new president. We had over 125 good people, people who you would say, gee, maybe they can all do the job. We had others besides that who just didn't measure up to the position. We found, we feel, the person. He said he is the perfect customer, but he's also the perfect customer who knows the business. And we will work with you. The thing that we've learned more about ourselves than anything else is our communication process wasn't as good as we thought it was. And we need to communicate with you, we need to go to the Nassau Legislature and do the same thing, and we need to go beyond what we've been doing to bring money to the economy of Long Island. So we will. And I promise you we've been working since, even before the audit came out when we hear rumors of this, to really tighten the way we do things. And we would like you to hold us to the fire to make sure we do that.

MS. ROCCHIO:

One of the things that I suggested is that maybe we would come before this committee quarterly or every six months to •• like a report card, how we're doing. And you can give us input, and we'll tell you what we've been up to. For instance, one simple thing, but it's kind of an important thing, in your reception area here, we don't have any brochures about Long Island, okay. All the of those brochures in your packet today should be in that reception area. There's a wonderful fall festival coming, that's in your packet, it's not out there. That would be wonderful. What I'm finding since this audit happened, you would think that membership would drop off, we're getting more people that want to join, we're getting people that, I'll come back now, or new people. So that's very encouraging to us. And so I think we are at a new beginning. Jay?

CHAIRPERSON NOWICK:

Just to interrupt for one second so I don't forget. You do have a presence •• or I hope you have a large presence •• by the fact that I'm asking you this, maybe you don't, the airport.

MR. DELUISE:

Sure.

MS. ROCCHIO:

Long Island, Mac Arthur?

MR. MCGOWAN:

Well, I can answer that having come in along Mac Arthur the first time and both the information booth and right next to it is an information rack, are filled with brochures.

CHAIRPERSON NOWICK:

Information rack. Now, it's probably not big enough, because I can't remember it.

MR. MCGOWAN:

It's not that big.

CHAIRPERSON NOWICK:

Am I saying that correctly? If I don't remember it ••

MS. ROCCHIO:

That's correct, Lynne.

MR. MCGOWAN:

You said it earlier on, it's difficult to be a tourist in your own backyard, particularly when you are flying into a destination. If you're returning home to that destination, you're not going to notice a lot of those things. You're focused on getting the baggage.

CHAIRPERSON NOWICK:

I will have to remember to look.

MR. MCGOWAN:

And the other reason probably that I really took time to notice it was because that was the first time I was coming into the airport too.

CHAIRPERSON NOWICK:

Okay. Legislator Vilorina•Fisher.

LEG. VILORIA • FISHER:

Just for a moment, because it's on point. Welcome Mr. McGowan. I represent the 5th Legislative District where Gloria.

Rocchio is one of my constituents in historic Stone Brook, Setauket, Port Jefferson area. Gloria, you did mention that there is a two page sheet that will come out of your meeting tomorrow. Through the Chair, I would like to request that you have that available so that it can be distributed Tuesday for our General Meeting.

MS. ROCCHIO:

Very good idea.

LEG. VILORIA • FISHER:

Okay. Thank you. That's all I have.

LEG. SCHNEIDERMAN:

All right. Indulge me for a moment. If we could split tourism for a second into the two main categories, which are business and leisure on Long Island, and we clearly see a divided Suffolk County where most of your leisure is on the Eastern End and most of your business is on the Western End. That is not to say that people don't vacation in Hauppauge or that there are no conventions out in Montauk, certainly there are, but primarily most of your business clientele is to the west of Suffolk County and most your vacationing is done to the east.

I'm curious of a couple of things. One, the primary thing really is the division within the money that is being spent by LICVB in these two areas, and whether •• I know for instance that most the hotels in Suffolk County do not have conference or convention centers, some do. I would like to know basically how you are proportioning your spending and whether it is benefitting of all those hotels that are collecting the hotel tax or whether it is disproportionately benefitting those with convention centers. You might not be able to answer that, but if you could look at

that.

MR. MCGOWAN:

Let me address one thing about that, and this is again going back to focusing on the customer. First is that the customer doesn't recognize that there are county lines. A customer coming into a convention hotel in Nassau County is also going to be looking at the potential of some leisure travel enjoyment with that. Travel today is really more focused on a leisure traveler than it is on conventions and meetings. That portion of the business has suffered, it has diminished significantly, and it's starting now to slowly pick up.

Destinations that have a combination of market segments that they approach, that is to say group tour business combined with conventions and meeting business combined with leisure travel business and international travel trade are the strongest destinations. The appeal •• it's like, if you will, a much more balanced stock portfolio than all of the eggs in basket or another. So if any segment diminishes the other segments, it's help that balance of income coming into.

Post 9/11 and post national economic recession, those destinations that were very strongly focused on the convention and meetings market without leisure travel to support it, have added significantly died off. The difficulty is that we are dealing with two counties, and they are distinctly different in their product offerings, but the beauty of it is that most meeting •• most convention meeting delegates also include some leisure travel aspects, either going to areas that have attractive values, such as beaches and things of that nature, golf, what not and incorporate that into the travel plans. So I think you have to be able to market the whole of the destination along those lines.

I would say that the bulk of our spending is going to be in leisure travel. We still have •• in fact if I can recall, I think our convention and meetings portion of the budget in 2004 was only about \$250,000, that only represents 25% of the total marketing budget.

LEG. SCHNEIDERMAN:

And lastly, and this kind of segues from your most recently comments. In terms •• can you give me benefits of why promoting tourism for Long Island is better than promoting tourism for Suffolk County, you know, as a Suffolk County focus, promoting •• promoting Long Island? I know that some of you have e•mailed, I understand, but I'd like to go on the record with why

you believe the regional approach is more beneficial for Suffolk County.

MR. WHITEHEAD:

I'd like to answer that one. Does anyone know what county Lake George is in? Essex. Anyone know Tompkins County, what's in Tompkins County?

LEG. SCHNEIDERMAN:

Finger Lakes.

MR. WHITEHEAD:

Finger Lakes. One person knows it.

LEG. O'LEARY:

I knew it.

MR. WHITEHEAD:

Many areas of this state and this nation don't use their county to promote where they are. They use the main attraction of that area. If it's the East End, they may use Montauk and the Hamptons. If it's up further and they're still looking leisure, look to Jones Beach. If you're up on the North Fork, you look to a heritage trail. So they look to something that is ••

CHAIRPERSON NOWICK:

Disney World. Who knows where that it, what county?

MR. WHITEHEAD:

So those are the things that are •• that is what's projected. To go and try to sell a county or two counties, I think would be going back somewhere around 25 to 30 years, when we did have two separate entities here. And the hotel industry and the attraction industry worked very hard to bring those two together so that we can promote it as Long Island and then segment out portions of Long Island. And while I have the floor, I want to make another couple of comments.

In the \$300,000 that was stated in the audit that was perhaps, perhaps spent improperly or questionably, 136,000 a year was spent in public relations. That probably will not change, as far as the amount spent, because on a \$2.4 million, \$36,000 is not an insignificant number.

May it's going to go in-house, maybe it's the same firm, maybe it's a different firm, maybe it's a different approach. But I think it's something we need to keep in this organization. We had \$1.4 million last year that we raised totally. The hotel industry in '92 asked for this room tax, and we raised \$1.4 million, of which the lower \$400,000 went to the cultural arts and historic sites and about 900,000 went to the LICVB. So we're giving a lot towards the industry. And the more that we are able to promote, the more we're going to be able to raise funds for ourselves and for the county.

An the last comment for myself is that we went out of the box. I was on the Search Committee, and one the people that voted for Moke, and it was a unanimous vote, by the way for Moke. And I was asked to go outside the box and outside the resume, and I did that. And I called to a long time friend and a person that was on Long Island, and he went to an agency over in London who had the opportunity to work with Moke and gave a recommendation saying he was one of the finest leaders, state leaders, he has every met. And they have done many, many states across the country. Thanks.

MR. MCGOWAN:

Mr. Schneiderman, if I can address that question, because I think it's certainly a valid question, because quite honestly, no one can market with the same passion on one area that they are from. No one can do a better job in anyone's eyes unless you are from that area. But what we do is we focus on the customer and how they think during their travels. And today's consumer, today's leisure traveler is really looking for the ability for the quick getaway, two to five days, driving preferably as opposed to hassling with air transportation. They're looking to combine a lot of activities and a lot of experiences in a very short period of time. That's one of the things that very much attracted me to Long Island, is when I took a look at the wealth and the depth of everything that the Island has to offer. It's only a hundred mile length and 25 mile wide geographical area.

The nation and tourism marketing has gone to a regional perspective greatly in the past 15 to 20 years in destinations and communities across the nation, and the reason for it is very simple. The consumer doesn't generally spend all of their time in one total location. They get out and explore. And they don't recognize the boundaries that we artificially create for districts or counties. And the other thing is from a government perspective; it's cost efficient to do so. We in South Carolina as a state leverage on a regional basis with other states to create greater

strategies, to create synergies in a number of product areas; golf was one of them, heritage and history was another, because it made sense and it gave us those cost efficiencies. It also recognized again that our travelers were going to be traveling inter•state.

So we do try to keep the focus on the customer from that perspective. And I think, you know, with Long Island having the quality of products in both Nassau and Suffolk County, that a lot of times do compliment each other, we wouldn't gain nearly the efficiencies, and it would, I think, be unfortunately a great loss to have two quality counties competing against each other for the same business or a good portion of the same business.

CHAIRPERSON NOWICK:

Legislator Schneiderman, I think your any•time minutes are up. Legislator Fisher has already gone. Did you have more questions?

LEG. VILORIA • FISHER:

Actually, no. They were addressed by Legislator Schneiderman. Thank you.

CHAIRPERSON NOWICK:

Legislator O'Leary.

LEG. O'LEARY:

Good morning, sir. I'm happy to hear that you are a constituent of mine. I'm sure I will get to know you a little bit better over the years. But not having the benefit of having a background or resume in front of us, I'd like you to give to the committee basically your educational background and what positions you have held for the past several years.

MR. MCGOWAN:

Thank you. I'd be happy to. I was a journalism major, a graduate of the University of Nevada, Reno in 1972 in journalism. I started my career on the advertising agency side of the business. My heritage is Hawaiin•Scotch•Irish. I was raised in Hawaii.

LEG. O'LEARY:

Hence the name Moke.

MR. MCGOWAN:

Hence the name Moke.

LEG. O'LEARY:

I was going to ask you that question.

MR. MCGOWAN:

It's a Hawaiian name that, please, don't ask me how or why, it means Moses. Actually I've heard stories as to why, but we don't need to go into it. Upon completion of my graduating, I went back to Hawaii and I started my career in the ad agency side of business as an account coordinator and then account executive. We handled at our agency tourism related products, Hilton Hawaiian Village to Ala Moana Shopping Center, part of the Aloha Airlines Account at that time.

I recognized that career opportunities were going to be limited in the islands, so I did come back to the mainland a couple of years later, still on the ad agency side of business in Reno, Nevada. I did have the opportunity to move to San Francisco having recently married a lady from the Bay area. And I went to work for the San Francisco Convention and Visitors Bureau and Business Development. I was with that organization for approximately four years. I was hired then by Pier 39, a major attraction in San Francisco on the waterfront, Fishermans Wharf. I stayed with that organization, again, as Director of Marketing Sales for them until I was sought out by a headhunter to go up to the Central Oregon Coast and launch a \$29 million aquatic facility and aquarium.

I enjoyed doing that, then had the opportunity to take on some major consulting work with the Oregon Tourism Commission and the Oregon Commission of Economic Development. And that started, if you will, about a two and a half year full service consulting business in tourism and economic development. Out of the blue, received a call from an individual in South Carolina and asked if I'd would be •• if I'd ever been interested in moving to South Carolina or west •• or east of the Mississippi. I had never been to South Caroline before I went and interviewed for that position. It was an incredibly wonderful learning experience filled with challenges I never thought I'd be dealing with. Everything from hurricanes to Confederate Flag issues, all throughout which my point to our staff as to our Governor, as to our Legislature was that we need to keep the focus on the customer at all times and maintain •• develop and maintain a very strong brand image. And that's really how that went.

Unfortunately, after a number of years like every other state, our state suffered through revenue shortfalls for approximately four years. We had a new administration come in and a total reorganization of the agency that I was responsible for the Division of Tourism was reorganized. And myself and some division directors went on our own from there. I started to have the good fortune to do some consulting work immediately out of that situation. That's what I did for the past year. This opportunity presented itself, and I thought why not.

LEG. O'LEARY:

Thank you very much. I could see why the members of the bureau were in unanimity in your selection. You certainly have a well qualified background based on your statement in the tourism industry and area.

MR. MCGOWAN:

It's a background that is varied from the standpoint of product and destination and private sector and public sector. And it is one that has served me well as far as being able to bring those experiences and skills and knowledge to the table and take on the challenge of the position I held at the time.

LEG. O'LEARY:

I wish you the best of success in your position. Congratulations.

MR. MCGOWAN:

Thank you. I will communicate often.

CHAIRPERSON NOWICK:

Legislator Carpenter.

MR. MCGOWAN:

Mr. O'Leary, I just made a comment that I'm sure we'll communicate often, and quite honestly, that is going to be part of our program of work at the bureau, is that we will set up a communication process that is ongoing, it may be informal, it may be, you know, sitting down for a cup of coffee, but we want to keep in a strong proactive communication process that as I understand has not been there before, and one I look forward to establishing working on.

MR. DELUISE:

If I could say something, we have a \$2 million budget, which probably sounds like a lot of money to some people, but when you look at Moke's old budget, which was \$14 million when you look at a destination like Hawaii or Virginia or anyplace else, we need to work with you, we need to communicate, because we have to make that \$2 million worth a lot more. To be able to bring instead of \$20 million a year, we should be bringing in, you know, a quarter of a billion dollars a year. And I think we can do that. Working with you is our number one priority.

MS. ROCCHIO:

One of the things that Moke wants as a priority is research. Research costs money. So maybe together we can figure out creative ways that we can accomplish the research that he needs so that we can put together very strong campaigns for Long Island, through universities or with your help. It's not a lot of money, but it needs to be done to get into the consumer's head why they come to Long Island. We need to find out, and then we can do very strong campaigns.

LEG. CARPENTER:

Thank you. I have a couple of notes jotted down here based on some of the things that have been said already this morning. One of the first is communication and transparency. And I think that will go a long way to serving the LICVB well and to those of you who are volunteers in the organization. I serve as a volunteer on a number of organization myself, and I know that you go to a board meeting and you get all caught up in what's happening, but then you go back to in your instance running your businesses, and it's easy to lose that kind of focus. And that's why the communication is so very important and the issue of transparency. And really get a sense from what I've heard here this morning and from conversations and things that I've read over the past couple of months since this all developed that we really on the right track.

And I think we need to focus on, and I see there's a handout in the folder, on the accomplishments of the LICVB. And I know that from the very beginning of my tenure here at the Legislature, the hotel•motel tax had just recently been instituted, and we were the county that was contributing initially, not Nassau County. And it took some convincing on my part as to why we should be doing this regionally. But I was convinced then and I continue to be convinced now that as wonderful as Suffolk County is, to market it as Suffolk County destination just isn't going to cut it, that you really need that global •• you need the sex appeal that Long Island has. It doesn't, you know, rest in Suffolk County or Nassau County. Maybe if

we were Ocean County, if the name had a little bit more pizzaz to it. But I really am very, very committed to staying with that regional approach. We need to do that. We need to do things together.

And to your point, Gloria, about maybe we can help with the research, I think •• and later on on the agenda this morning, we're going to be speaking with the designee for the new •• for the position of Economic Development, you know engaging with those departments, with the Economic Development Commissioner and with Planning that has a wealth of demographics as their disposal. And I see Chuck Stein here from the Community College. They too have a wealth of demographics. What interests our young people? You know, they have some of those answers. So I think that we need to keep doing this together.

I just take one •• and it's not really exception, but when you talked marketing the East End and Montauk and the Hamptons and the beaches, you said Jones Beach. I prefer to think more globally and think about the South Shore beaches, especially Fire Island. I know Mike will appreciate that. The other thing, Moke, you just briefly said golf, and looking at the brochure that's here, I don't know if LICVB ever did a golf destination brochure, and it seems to me that with the number of golf courses that we have here •• I've seen them for the New Jersey area, for the Atlantic County area near Atlantic City, they've tied in and have a brochure on golfing, certainly Maryland and the Carolinas. But I really think we can do that too. And to try to encourage your members to partner and have packages, because that seems to be what the appeal is. And for the hotels and the motels, for them to, you know, have that package there to have the choice of hotels and motels to stay at and play golf, you know, at choice of X amount of courses, I think is not only going to bring those tourists here, but hopefully encourage some of our residents here to think about, you know, you're going away for a couple of days, go away here, you know, go stay in a motel. You don't need to be, you know, three hours or four hours away. You can get in the car and in 20 minutes, as I did a number of months ago, stay at the Three Village Inn and feel like you were, you know, just hours away.

MR. MCGOWAN:

I couldn't agree with you more regarding your golf product here on the Island. South Carolina is known as a major golf destination. Let me assure you that there are other states that have more golf and better golf than South Carolina. But through the miracle of marketing and getting out in front of that pack early on that has been what was established. Having the US Open and the world focus Long Island during the US Open and other major golf events, senior

championship tour events and things of that nature, those are opportunities to be leveraged, and it's amazing it has not been leveraged more significantly before. But that is definitely a focus •• one of the focuses that I'm going to be •• in fact, we are meeting tomorrow morning.

MR. DELUISE:

One of the things I think that's very important, and this is where we really need to work with you, people have said to us how come we don't get the major sporting events in Suffolk County, and you'll see in there. We need your help to get the constituent venues to work with us; golf courses, stadiums, colleges. Because more than not, we tend to as Long Islanders not really care about having people come visit us or using our facilities. And I've worked in a college a long time, and a good story on that is that •• why do colleges turn down these big events? Well, they turn down these big events not because somebody on top doesn't want it. It might be a venue operator who doesn't understand the value of those people to make it happen. So the venue operator gets a salary. And if you take a weekend from a football stadium, it just means more work for that person, nothing out of it. It might mean from you a phone call to a college president or manager of a golf course or a hotel to say make it work. The reason the US Open worked is because everybody worked together. And this is where I think together we can really multiply that to a million dollars and make it work well.

MS. ROCCHIO:

In your packet today is a spread sheet, and that spread sheet shows the bids that were sent out to Suffolk County sports facilities to try to attract different sporting events to Suffolk County. And you will see on the latter part of those pages there, five, six and seven, on the right hand side the reason why some didn't come; the rates were too high, decline to bid, lack of availability. And it goes back to what Michael said. Is it really lack of availability or they don't want to come in on that weekend? We don't know. On the first few pages, if look to the left, you will see DEF, those are definites that are coming through. So that's been generated from the Long Island Convention and Visitors Bureau. And that translates into rooms nights, tremendous amount of room nights.

CHAIRPERSON NOWICK:

Thank you. Legislator Foley.

LEG. FOLEY:

Thank you, Madam Chairman. I want to welcome you to our County. Coming from Columbia, South Carolina, that's where the University of South Carolina is, correct or nearby?

MR. MCGOWAN:

That is in Columbia, yes.

LEG. FOLEY:

The Gamecocks, that's what they're called, correct?

MR. MCGOWAN:

I always has a probably sometimes with my staff wanting me to choose between USC and Clemson. Of course, I always said, "Go Trojans."

LEG. FOLEY:

There you go. Very good. Well, on that note, let me just touch on a few different •• two •• a couple of subjects that were not •• well, that were partly addressed, and we will need to have some follow up on it. What's most important, I think, for all of us is when we particularly go into the budget season and allocation of dollars, some of which goes to your organization, is the need to have from your bureau a point by point response to the •• to the audit that was conducted by the Comptroller's Office. You mentioned how you will have a two page brief that will come back to us. But also if there other, not only corrective actions, but if there are some disputed •• I'll call them disputed findings, we really need not just to hear verbally, but a point by point report, if you will, that will go into that so that we have a level of confidence that has been missing since the report was issued. Now what's new for me, Madam Chair, is that there • you mentioned earlier that there's no exit report •• no exit interview had taken place. Because I know, normally speaking, for any let's say comprehensive audit, there is the opportunity given to the group that's being audited to have that exit interview. So that's rather •• that's rather not just curious, but troubling that there was not •• has any indication been given that Joe's Office will afford you a belated exit interview?

MS. ROCCHIO:

We requested an interviewed verbally several times, and now it's been put in writing, and we are waiting for a reply. I'm going to call Mr. Sawicki again myself. I spoke with his Chief of Staff, Christina.

LEG. FOLEY:

That will be very, obviously, important.

MS. ROCCHIO:

I'd like to just address your points about a point by point of all of those things that he point out in his report. We'd like to do that too, we can't right now, okay? And we may not for some time, because those records have been forwarded to the DA's Office, and the originals are with them, all the back up and everything is with them. We've requested them back, and they said they will not be able to return them for a while. We have even asked if we can use their conference room to review them, and they are at least entertaining that idea. But we may not have that for a while.

LEG. FOLEY:

For a while. Are you talking a number of months?

MS. ROCCHIO:

Could be months.

LEG. FOLEY:

Well, what you can do will be helpful to us, because we do need that information.

MS. ROCCHIO:

We can address as many as we can to you.

LEG. FOLEY:

Thank you. Madam Chair, just a few other points. It will also be helpful for the new •• for the new leadership, if you will, Budget Review Office had over a period of years issued a number of what I would call constructive criticisms of how the bureau had operated. And copies of those BRO reports, I believe, would be very helpful for you to look at in part and parcel of what •• of how to make improvements. And there was an issue as Legislator Carpenter had mentioned earlier and others about transparency. And some of the BRO reports go into the issue of transparency and accountability of County funds. So you don't need to respond to it, just took a look at it, then you can give us of a sense of how things would be done in the future.

MR. MCGOWAN:

I'm hearing that our Chairman has not seen it.

LEG. FOLEY:

We can get •• as I said, we can get you the reports. There are really folded into larger reports. Particularly with our proposed Operating Budgets every year, there is a portion that deals with • particularly with these funds. So I think that would be very instructive. Thirdly, I'd like to amplify the point made earlier as far as •• we're going to have a new Commissioner of Economic Development. And I think it would be very helpful to have a stronger working relationship between the bureau and a whole host of County departments. Economic Development is crucial, obviously it is.

So I think that kind of relationship would be important. Along with that, again, the Planning Department, we have other departments and research that can help in kind in a way. So it's not necessarily an appropriation of dollars, but certainly they have information that can help you do your job. I think that's going to be very important. Plus I'd have you look, and it's just starting to develop, and that is to look at your bureau and how you can help this County with some other missions that we have been developing over a period of time, one of which is downtown redevelopment.

Now what we traditionally hear is Eastern Suffolk County interests with Long Island Convention and Visitors Bureau, and that's important. I'm glad that Legislator Carpenter had also put into the equation something that's usually forgotten when we hear from your bureau, and that is about Fire Island and how important that is too for a whole host of reasons and issues in the western end and Nassau. But I would also have you, and it's probably going to take a little more work, a little bit more creative, but I will say that it could •• could and should be a role in which to highlight what some of our downtowns offer as well. And that as tradition has been done. It's an area that we're working on to revitalize. But again, if we're going to go into this new understanding of having stronger links between the bureau and a variety of County institutions, I think that's something that could be looked at.

Finally, through the Chair, I would just simply say that we look forward to working with you. And I'm happy to hear that there will be more, not only transparency, but communications between this committee and the bureau. And we have worked, I think, reasonably well in the past, but certainly there is a certain level of confidence that needs to be reestablished. That

won't happen over night. But one of the ways that we can achieve that •• an improvement in confidence will be in how the bureau responds to the audit, how it responds to some of the other, as I call it, constructive criticisms that have been •• that have been levied, if you will, or leveled at the bureau, and then we can move forward. But there certainly needs over the next number of months to be some different approached taken. And I appreciate ••

MS. ROCCHIO:

Somewhere along the line, I don't know if it's in this •• we were changed from the department that we were to deal with with the County from Economic Development to Parks. So we would recommend strongly that we be put back underneath Economic Development as far as our liaison agency.

CHAIRPERSON NOWICK:

Legislator Foley, are you finished?

LEG. FOLEY:

I'll just take another moment of time, and it's an interesting point that we can look into, but I think we're flexible enough that both Parks and Economics Development can still have a hand in how things are done. Because it's certainly through our parks that we attract people. You mentioned earlier about three to five days as a time period, well, a number of folks who use our campground and our parks, that's exactly what we are looking at. They want to stay two to five days, they don't take long vacations, either they can't do it financially or for some other reasons they can't. So our park system •• that's why it was put into Parks. Our Parks System perfectly dovetails with what you mentioned earlier about the time •• the compressed time period that people these days seem to take for what I would call mini vacations. So that's why it was put under Parks. But certainly with a new administration, and I know how the different •• I'm sure the Commissioner of Parks will be speaking quite often with the Commission of Economic Development, that there will be also between communication between departments as there needs to be between the bureau and this committee. Thank you.

CHAIRPERSON NOWICK:

I can't help wondering, Mr. McGowan, when you were in South Carolina, did you ever see any type of travel pamphlets that say, "Come to Long Island, Play Golf"? Why I'm thinking about it is in the middle of the summer in Florida it's about 300 degrees, isn't that a good time to push

Long Island for a golf package. Do you ever •• does the Long Island LICVB ever go out•of•state to advertise?

MR. MCGOWAN:

It should. It absolutely should.

CHAIRPERSON NOWICK:

The packages that Legislator Carpenter was talking about, I'm under the impression that Suffolk County has more golf courses than •• probably Legislator O'Leary would know the answer to that.

MR. MCGOWAN:

I believe we only have approximately 15 golf courses.

CHAIRPERSON NOWICK:

That's just as aside as I'm thinking of what Legislator Carpenter said. Let me go on to Legislator Cooper.

LEG. COOPER:

Good morning, Moke. Of your \$2 million budget, could you provide a break down of your funding sources so I can get a better idea of what revenues come from hotel•motel tax versus state grant versus what have you?

MR. MCGOWAN:

In the review of the 2004 marketing plan and budget, it appears that about 86% of the dollars do come from the hotel tax revenue generated. About \$272,000 comes from state grants, marketing grants. And another \$97,000 comes from a membership base. And then there are, I'm going to say about 100 •• close to \$100,000 in cooperative advertising revenue programs developed by the bureau.

LEG. COOPER:

And how does your membership base break down between Suffolk members and Nassau County members?

MR. MCGOWAN:

I don't have the answer to that.

MS. ROCCHIO:

It's 518 members, but off the top of my head I don't know how it breaks down.

LEG. COOPER:

As far as the revenues from hotel•motel tax, do you know how that breaks down Suffolk versus Nassau?

MR. WHITEHEAD:

It's a little over \$900,000 for Suffolk and it's a 700,000 for Nassau. And that difference has always been stated in something called Suffolk Leisure. And that money, the difference between Nassau and Suffolk, is spent on leisure oriented advertising and promotion.

MS. ROCCHIO:

In Suffolk only.

MR. WHITEHEAD:

In Suffolk only.

LEG. COOPER:

How would you break down your expenditures broadly, the monies that you spend on trade advertising versus travel guides versus website, what have you?

MR. MCGOWAN:

On individual discipline basis, advertising versus internet versus •• quite honestly, it was not broken down in that budget that was prepared. It was broken down by division, that is to say conventions and meetings, travel and tour, general leisure. But when it got to the general leisure travel development or leisure travel marketing, that was a lump sum, not broken out by discipline of PR advertising.

LEG. COOPER:

Is it something that could be?

MR. MCGOWAN:

It absolutely should be. It was surprising that it was not. We, as Michael indicated, operated off of a \$14 million budget, it fluctuated between 12 and \$14 million in South Carolina. Believe me, it was an extremely minutia oriented line item budget for our expenditures. So that was something that was a little surprising not to see.

LEG. COOPER:

Is there a hotel•motel tax in place in South Carolina, and is the state•wide, is it county?

MR. MCGOWAN:

Yes. It's collected by the state, it's returned to the county and the communities. When I first started in South Carolina, our budget was predicated on a revenue stream from admissions tax dollars, and that was a 5% tax placed on all admission programs, be it theatre tickets to a cinema ticket to a greens fee. It generated \$32 million a year, and 40% came from our dominant coastal products; Myrtle Beach, Hilton Head and Charleston. The down side with that, and we had to live within that revenue stream, there were no state appropriated dollars to cover. The down side of that was two fold; one is that it was weather related. So every time we evacuated our beaches because of a hurricane, our budget got hit by three•quarters to million and quarter dollars for that particular time frame. So it was not a stable funding source, and eventually we swapped that out with the state for appropriated dollars and they collected the admissions tax dollars.

LEG. COOPER:

And how does the tax rate in South Carolina compare to Suffolk County's, is it higher, lower?

MR. MCGOWAN:

It's 5% sales, and the hotels sales tax or the hotel transient occupancy tax was equivalent to the sales tax. So it was roughly 5%. Now, the counties and the communities could add an additional up to 1% on to that that was selected solely for their community or their county. Again, collected by the state and then returned back to the counties. Those dollars for •• were not •• there were supposedly geared to promotion activities, to market, promote and see the destinations in Charleston or wherever, but they weren't held to it. So quite honestly, most of the communities did not receive the full funding.

LEG. COOPER:

If possible, before the next presentation before the committee, I'd really like to see a representative selection of ads that you have run in trade publications or magazines promoting Long Island. I don't believe I've seen them. And I'm just curious as to, you know, how they are laid out and what the approach is you are taking. I'm also curious as to •• I know that •• I believe that the majority of your advertising has been in the state, you must have done some out•of•state advertising, perhaps not, but ••

MR. MCGOWAN:

This by my third day on the job, I have had not had the opportunity to do much of anything. I am meeting tomorrow for the first time with the Advertising agency of record, KZS, to review this historical marketing approach that they have employed. And so I am looking at the opportunity to do that. As I told the Search Committee, as I've told the board or shared with them, Ms. Nowick asked if we should be advertising out•of•state, and absolutely we should be. You have within a 250 mile drive radius, a 36 million population and plenty of opportunities to tap into that arena. Even though they are expensive media markets, there's a multitude of ways to inexpensively address those market segments.

What I do need to find out is the market make up of our consumers in those areas so that we can better target along those lines. But I think those are great opportunities that have not been leveraged. You mentioned, in state •• in the most immediate past, the focus has been on in•state advertising. Certainly that has a value. In•state, on•Island, in•island advertising, certainly that has a degree of value. But I believe that the greatest value the bureau can bring to the table is driving new dollars outside of the Long Island on to the Island as opposed to shifting dollars through Nassau County to Suffolk and then back again. The stronger economy is going to be one with new dollars coming into it as opposed to just moving dollars around. So that would be my hope and desires to focus on driving off•Island business.

LEG. COOPER:

And also, if you're making more of an effort to promote Long Island out•of•state, some analysis should be done as to the potential benefit of advertising, not just in the Tri•State region, let's say, but even broader than that, because I'm sure that •• I mean, we have tourists coming from across the nation, around the world, to New York City, and it very well may be that the vast majority of them have no idea that 45 minutes way, half hour away, an hour away, there are entirely new additional tourism opportunities. So if there's some way of tapping into, that

could potentially open up an entire new market I would think. One other question is what •• and you may not know the answer to this, but what has the bureau done historically to promote Long Island to travel agents so that travel agents will recommend Long Island as a destination to their clients?

MR. MCGOWAN:

Well, the travel agency side of the business has through a tremendous amount of transition, simply because of the internet. It was started, their function, as a distribution channel has greatly diminished over the years, and they have had to focus on various products where they could generate a quality return on their investments, such as cruise programs and international travel. But they continue to remain a distribution channel. Within your organization, we have the Travel Tour Department. The Travel Tour Department is responsible for travel trade development, be they tour operators, group tour operators, wholesalers, travel agents, receptive operators, etcetera. So we are •• we do market, but to a lesser degree than to the other segments.

LEG. COOPER:

Okay. Thank you.

MR. WHITEHEAD:

Legislator Cooper, to give you a further answer to your question about marketing. In the area of leisure in the past, we have done Cablevision, cable television, and it has serviced very well. We have had a lot of fulfillment in that category. We've also gone into magazines, and that had done well for us on the collective basis, six or seven magazines, that is in the area of leisure.

In meetings and conventions, we normally direct our efforts toward the meeting planner, and that's through some trade magazines, because you're talking about a kind of rightful approach for the meetings and conventions. We are trying to get to the meeting planners, which we also do some receptions in New York City to try to sell them in coming to come to Long Island. And in the sports •• in the sports area, that's another major sports magazine that we are listed in and leads from. But there's an awful lot of personal selling on sports events, because they know specifically that NCAA decisions made out of this headquarters, and something •• hockey is made out of that headquarters. So there's a lot of personal selling there.

And in tour and travel, it's done through three •• two national conventions, where we're

represented at those national conventions where actual leads are developed and times •• we get bookings from those. And Group Travel Magazine, which is one of the leading magazines where we have a one page add. There are about ten of us who are cosponsors, cooperative advertisers, and that is where we get other leads.

LEG. COOPER:

As an example, I don't know if any of us have ever seen samples of this advertising, so I'd love if you could fax it to me.

MS. ROCCHIO:

That's a good point. One of the things I think we're doing now, which I think is pretty creative, with the Republican National Convention coming here, we're trying to take advantage of all those people coming from all over the United States. And we're doing an e•mail blast to the delegates with opportunities to come to Suffolk and Long Island to extend their stay after the convention. We're also e•mailing the concierges of all of hotels that they're staying at so they have it in front of them to give to the delegates as well as that full travel guide right in front of you. It will be in the hands concierges' hands next week.

LEG. COOPER:

As long as the Republicans just visit and they don't stay. That's the only request I would make.

LEG. CARPENTER:

To that note, I think we need to get on to the agenda.

CHAIRPERSON NOWICK:

Okay. We will get on to the agenda. I'm just going to leave you with one thought that I'm thinking of. Southwest Airlines flies all of us to Florida January, February and March. Let's reverse it in the summer and work with Southwest and fly them all back here to play golf with us in the summer. And by the way, the airport has been named after you from what I'm hearing, so you're in. I think we have to go on to the agenda, because we are running quite late.

MR. MCGOWAN:

Let me say one thing to that. My mother's retired in Las Vegas, Nevada. Southwest now has direct flights to Las Vegas, so I am going to be bringing my mom out here to start stimulating the local economy immediately.

CHAIRPERSON NOWICK:

Very nice to meet you. Congratulations. Thank you all. Hope to keep •• stay in communication with one another very often.

LEG. CARPENTER:

Just one thing I did neglect to say, when we talk about that communication. I think in addition to the President of LICVB, I think we need to see the board presence, because I believe this is the first time that I can remember that there's been any kind of board participation here at the Legislature. And I think together the board and the executive or the director or the president will make a much bigger impact.

MR. MCGOWAN:

Going back to one of the original questions of how we were going to be dealing with controls and things of that nature. The board, and I'm looking forward to this, is going to be much more actively involved. And I have an excellent board to work with. So thank you.

LEG. CARPENTER:

Thank you.

LEG. FOLEY:

Thank you.

CHAIRPERSON NOWICK:

Thank you. I'm going to do the agenda.

TABLED RESOLUTIONS

1520•04. Adopting Local Law No •• 2004, a Local Law to amend the voting policy of the Airport Lease Screening Committee.

CHAIRPERSON NOWICK:

Do I have a motion?

LEG. SCHNEIDERMAN:

I'll make a motion.

CHAIRPERSON NOWICK:

Motion by Legislator Schneiderman. Do I have a second? Seconded by Legislator O'Leary.

LEG. FOLEY:

Was this just filed on Monday?

LEG. SCHNEIDERMAN:

This makes sure it does exactly what it's supposed to do, which is that it still requires a unanimous vote of the Lease Screening Committee, though members not present aren't taken as votes against. It's a unanimous vote of those present provided that you have at least a supermajority or three-quarters in this case of the eight members present. And this was basically because the committee meets roughly every three or four months, and, you know, if one member isn't present because of the unanimous voting requirement, basically things get tabled to the next meeting, then somebody else isn't there. So it's very difficult for things to move forward that should move forward. Originally as I proposed this, I had eliminated the unanimous requirement and made it to a supermajority vote. Now it is unanimous again of those present providing three-quarters are present.

CHAIRPERSON NOWICK:

I have a motion and a second.

MR. ZWIRN:

Madam Chair.

LEG. FOLEY:

Just on the motion.

CHAIRPERSON NOWICK:

Legislator Foley.

LEG. FOLEY:

Yeah, thank you. Legislator Schneiderman, I know you have been in discussion over a period of months with the administration on the resolution. And it's my understanding that this is the first time that the County Executive's Office in the person of Mr. Zwirn has seen this latest change; is that not correct? And if so, is there a need for further communication on this point? I would just leave it at that.

LEG. SCHNEIDERMAN:

At the last meeting I spoke to this matter. I thought it would be here for the last meeting. I think that you guys were aware for several months that this was the intent.

MR. ZWIRN:

At your discretion, Madam Chair. If it's appropriate, I'd love to have an opportunity just to put something on the record. I just want to know why all of you when you have somebody come up here and speak, you're proud that they're a constituent, and Legislator Schneiderman is my •• my Legislator. He's never proud of that. He is trying to forget.

LEG. SCHNEIDERMAN:

That's not true.

LEG. CARPENTER:

Move to Fire Island.

CHAIRPERSON NOWICK:

You can come to Smithtown.

MR. ZWIRN:

Mr. Schneiderman said, "I'll help you pack." I just want to put on the record •• Carolyn Fahey is not here today, and she has had some comments. Right now, the way it's set up is that it needs a unanimous vote of all the members, otherwise it has to come back to the Legislature for review. And the County Executive would prefer, would feel more comfortable, with that measure of oversight from the Legislature with respect to the air leases and would like to keep the present system in place. We have stated that I think on a regular basis, and it continues to

be our position.

LEG. SCHNEIDERMAN:

Can I comment? This system does provide for delegates to vote. So if somebody has a problem with the lease, they ought to send a person to be there for them. But to simply not show up to make it so the committee can't function, I think is a real mistake. There are two levels of oversight as well. There is the Presiding Officer sign-off and the County Executive. So if let's say a person does miss a meeting and does object, all he would have to do or she is make that objection known to the County Executive who could not sign-off in it and force it back to the Legislature. So there are many protective measures in place.

LEG. FOLEY:

Just one final question. Is the makeup of the board any different, Legislator Schneiderman?

LEG. SCHNEIDERMAN:

There Lease Screening Committee? There are some new members. There's •• now that Dan Losquadro is head of the Environment Committee ••

LEG. FOLEY:

Let me interrupt. Looking at your resolutions the only change I see are the •• you know, the underlying portions of the new ••

LEG. SCHNEIDERMAN:

There's no ••

LEG. FOLEY:

In the resolution itself, there's no ••

LEG. SCHNEIDERMAN:

Right. It doesn't change how the members or who they represent or various committees, that has not changed.

CHAIRPERSON NOWICK:

We can move it. I have a motion.

LEG. COOPER:

Excuse me. I have a question. Legislator Schneiderman had said that the County Executive could stop a lease from moving forward if a complaint was raised. Where is that mentioned?

LEG. SCHNEIDERMAN:

You won't find it in this resolution, you'll find it in the actual creation of the Airport Lease Screening Committee, which was a delegated authority from this Legislative board. It used to be that all leases came before the Legislature, and we were kind of caught up in the minutia. And then it was •• the Lease Screening Committee was set up primarily with delegates from this Legislature as well as from the County Executive's Office to review leases, and if they were unanimous, they would then skip the Legislature and go directly to the Presiding Officer and the County Executive. So that won't be •• and Mea can speak to this •• it won't be in the body of this bill, but it would probably be in the Charter, the County Charter.

LEG. COOPER:

The reason I ask that when I look at ••

LEG. SCHNEIDERMAN:

Section 15•4 D of the Charter.

LEG. COOPER:

Right. It does say that any lease that receives a unanimous vote of approval of those members, etcetera, etcetera, shall be approved by the County Executive, not may be, but shall be. So it appears to say that the County Executive has no choice in the matter and that all that's required is a unanimous vote of the •• that's where I'm confused.

LEG. SCHNEIDERMAN:

That's the current language, isn't it?

LEG. COOPER:

That's the current language in your resolution.

LEG. SCHNEIDERMAN:

That may not be language that was changed though, it may be Charter, language from the

Charter.

LEG. FOLEY:

Well, that was •• that's what was changed •• when you look at the resolution, that's the area that was changed.

LEG. COOPER:

Shall be, I don't know what it said before. Shall be, I don't know whether it said may be, but now it says shall be.

LEG. SCHNEIDERMAN:

Explain legally why that •• shall be approved by the County Executive and the Presiding Officer.

MS. KNAPP:

Legislator Cooper raises the point properly, that this change will require both the County Executive and the Presiding Officer to approve anything that is approved by unanimous vote so long as three•quarters of the members are present.

LEG. SCHNEIDERMAN:

He's saying that they're required to vote on it based on that shall.

MS. KNAPP:

I think he is correct in that what he is saying is that the legislation does not allow them to disapprove it if a unanimous vote of at least three•quarters of the members vote to approve.

LEG. COOPER:

If the resolution can be further amended to state what Legislator Schneiderman believes that it did state, then I'd be more comfortable with it. But I do have a concern if the County Executive or the Presiding Officer losses the ability to not approve a lease.

LEG. SCHNEIDERMAN:

That certainly is not the intention. There still is the •• at least I believe the Presiding Officer signing off and the County Executive signing off on this.

MS. KNAPP:

Just to clarify. When you say lose the ability, the way it's currently written, if a unanimous vote of the entire membership approves a lease, then the County Executive and the Presiding Officer shall sign off.

LEG. COOPER:

They have no option but to sign off.

MS. KNAPP:

Right. What I believe the Legislature intended to do was to put in place a mechanism that kept unanimous votes of the Lease Screening Committee from having to be approved by this Legislature. So they mandated as an administrative act that the Executive and Presiding Officer sign off if there was a unanimous vote.

LEG. COOPER:

My question to legislator •• to the sponsor is whether that was your intent or whether you •• it seems to conflict with what you had said earlier.

LEG. SCHNEIDERMAN:

I'm a little bit confused, because the earlier version, it's not underlined, and in this version, shall be is underlined, which •• so I'm not sure whether the shall be is already in the statute.

MS. KNAPP:

It is.

LEG. SCHNEIDERMAN:

It is. So that's how it currently is, that it's a total unanimous vote and shall be approved. Now it will be a unanimous vote of three-quarters or all the members present. If all eight are there, then it would be a unanimous vote.

LEG. COOPER:

I just ask because you had said that if a member was unable to vote against it, all he would need to do is mention it to the County Executive.

LEG. SCHNEIDERMAN:

It's my understanding that that's how it currently works, that the County Executive, even if it's unanimously voted on by all members of the Lease Screening Committee, the County Executive still can say no and the Presiding Officer. They are not required to approve it. They can both •

- either one of them can kick it back to the Legislature.

CHAIRPERSON NOWICK:

Legislator Carpenter has a question.

LEG. FOLEY:

That's not the way it reads.

LEG. CARPENTER:

I do have a question. Who are the members •• and this may have been said prior, but I'd like it put on the record now. Who are the members of the Lease Screening Committee?

LEG. SCHNEIDERMAN:

At least two of them are sitting here; Fran Seims is on it as the Presiding Officer's representative, myself as the Legislator from the district, Carolyn Fahey from Economic Development is on it.

LEG. CARPENTER:

Who works for the County Executive.

LEG. SCHNEIDERMAN:

Tom DeMayo, I think is the citizen at large, Judge DeMayo, Roger Podd is the County Executive's ••

LEG. CARPENTER:

Who works for the County Executive.

LEG. SCHNEIDERMAN:

•• representative. Paul Tonna has a representative. Ron Cohen was serving, but I'm waiting

for a new name, because Ron has asked to no longer serve in that capacity, Dan Losquadro, I think, has put Kevin LaValle on to the committee, who is •• Dan serves as head of the Environment Committee, Paul Tonna is head of the Health Committee, Pat Zielenski serves as Director of the Real Estate Committee. And I think that is all. Yeah, that's it, because Mike Caracciolo had somebody serving, but he is no longer the Chair of the Environment Committee.

LEG. CARPENTER:

So I think to the question of whether or not the County Executive and/or the Presiding Officer has an opportunity to reject a lease once it's approved, the likelihood of that needing to be happening is ridiculous because both the Presiding Officer and the members of the Legislature and the County Executive and his representatives certainly has ample opportunity if there is some issue for why a lease is not moved forward, would mention it. So I think to the point of it being administerial, really the sign•offs would be because both sides or both of the parties have an opportunity to discuss a lease in full.

And I would just like to state for the record I really thought that it was a good thing when those leases came to the Legislature, because it gave us an opportunity to know a little bit more about what was going on at the airport; who the tenants at the airport were. And the thing that comes to mind was the Holy Moses Cheesecake Company, I never even knew that that existed until we had the lease before us at the Legislature. So I think that in the future we might want to revisit that.

LEG. COOPER:

Just one further question. Let's say the County Exec's delegate is unable to attend the meeting, he can appoint an alternate delegate?

LEG. SCHNEIDERMAN:

Yes.

CHAIRPERSON NOWICK:

So we have a motion by Legislator Schneiderman, a second by Legislator O'Leary.

LEG. O'LEARY:

On the question of the motion, I have a question for the sponsor. What's the actual number makeup of the committee?

LEG. SCHNEIDERMAN:

There's eight members.

LEG. O'LEARY:

Eight members.

LEG. SCHNEIDERMAN:

There have been frequent times in the past where one or two members have not been present.

LEG. O'LEARY:

So you need six.

LEG. SCHNEIDERMAN:

In this case, you would need six to be present.

LEG. O'LEARY:

And four of the six for approval because it's ••

LEG. SCHNEIDERMAN:

No. Six of the six. If seven are there, seven of seven. If eight are there, eight of eight. But if five are there, you can't do anything. You know, you can imagine, you know, for me as Chair of the committee just to make it functional, it's very difficult if one person, you know, has a doctors appointment, it's just very hard. Imagine if we had that requirement here that everything had to be •• everybody had to be here every time.

CHAIRPERSON NOWICK:

Motion by Legislator Schneiderman, seconded by Legislator O'Leary. All in favor? Opposed?

Motion **APPROVED. (VOTE:7•0•0•0)**

1673•04. Adopting a no tax increase, sound education, affordable tuition Suffolk County Community College Operating Budget for 2004•2005. (COUNTY EXEC)

CHAIRPERSON NOWICK:

1673 is no longer pertinent. Motion to table subject to call by Legislator Carpenter, seconded by myself. All those in favor? Opposed? Motion **TABLED SUBJECT TO CALL. (VOTE:7•0•0•0)**

INTRODUCTORY RESOLUTIONS

1700•04. Appointing Jim Morgo as a member of the Suffolk County Industrial Development Agency. (CARPENTER)

LEG. FOLEY:

Motion.

LEG. VILORIA•FISHER:

Second.

CHAIRPERSON NOWICK:

Mr. Morgo, would you like to come on up? I believe that everybody here knows Mr. Morgo and knows all about him. But we will have you sitting there just in case we feel wordy today.

IR 1700, I have a motion by Legislator Carpenter, seconded by Legislator Viloría•Fisher. Who has a question? Legislator Viloría•Fisher.

LEG. VILORIA•FISHER:

Jim since your name appears under two resolutions, I'm going to treat them as if there were one. And welcome. And Jim laughed earlier because I said, welcome to the circus. He said, is that a congratulations? But I did want to address some issues that came up earlier with the LICVB. They had as you know been under the auspices of the economic •• Economic Development. And I happen to agree with them, cultural arts being also under Economic Development. Can you give us your views on that?

MR. MORGO:

Good morning, everyone, and thank you for this opportunity to address you. In direct response to your question, Legislator, I was thinking as I was sitting there through the presentation, through the discussion, that it was a happy coincidence that I was here to hear it. There are,

as you, Legislator Carpenter, mentioned, Legislator Foley mentioned, linkages, and the linkage as you just mentioned, Legislator with cultural arts, with film, with tourism. All of them are important economic generators for our County. And there should be greater cooperation among them all. Legislator Foley mentioned a downtown revitalization that I know a little bit about, and that's something that I'm excited about, that Economic Development is going to be looking at that.

Whether the Long Island •• LICVB, Convention and Visitors Bureau, whether that should be under Economic Development is something that I would of course look at once I am not just the designee, but the appointee. It seems to make sense. If I can •• at your pleasure, Madam Chairwoman, if I could talk about •• a little bit about the Commissioner of Economic Development and Work Force Housing and why I'm sitting here today and why I am •• was so happy to accept your invitation, I'd like to, because it has everything to do with linkages.

As some of you know, I was asked very early on to go back into public services, and I said go back into public service, because I spent many years in public service. And more than once, beginning in November, I was asked to join the administration. And I love public service. And I was thinking again this morning as I looked around and I saw some people with whom I worked when I was in public service that Suffolk County is really blessed to have some terrific, knowledgeable, hardworking people here at the County. There are many people that I hope to be working with again with whom I worked many years ago. So I absolutely love public services.

But as a lot of you know, I was •• my real passion, an incredible passion, was driven by the Long Island Housing Partnership. And it was an extremely difficult decision to leave the Housing Partnership. What finally, after an attempt in November, another attempt in April, and still another in early June that finally got me to decide to accept was the linkage with Work Force Housing. Because I think that everyone now knows that without a supply of homes that regions workers can afford, the region's economic sustainability will not be there. So this is what really got me excited about coming back to public service. The credo of the Housing Partnership has been over the last 16 or 17 years is that through hard work and collaboration, you get good things done.

And the Housing Partnership has •• and it sounds like a bed of hyperbole, but the Housing

Partnership has been my life for the last 16 or 17 years. And I'm still sometimes surprised that some folks in our County really don't know what the Housing Partnership is. I was being interviewed by a reporter yesterday, and she said, well, what is the Housing Partnership, what does the Housing Partnership do, does it get builders to build homes in certain areas? And I said, no, the Housing Partnership is in fact •• one of the many things it does is it is a developer of work force homes although we're not for profit, although a private sector not•for•profit. I don't think we could ever forget •• certainly we never forgot at the Housing Partnership that it is a business, that it is absolutely a business. It was a not•for•profit run with sound business practices.

You know, there's kind of a new paradigm template of not•for•profits. I remember when I was a Legislator, we had •• many not•for•profits would come before us, contract agencies, and they would do very important good work, and they were driven by their good work. And they survived really through government contracts and charitable donations. The Housing Partnership is not like that. The Housing Partnership always paid attention to the bottom line. And we were a start up business •• when I began in the Housing Partnership in a one room classroom at the SUNY Stony Brook, the people at the Housing Partnership would says this is Morgo's going to school in the snow, walking to school in a snow storm, but it's really true. We started in a classroom in Stony Brook. It was just me and a secretary, and we had a budget of 196,000 for our first year, operating and capital. This year we have a \$12 million budget. And the last year of working on Southwind Village, we had a \$30 million budget. And the way the Housing Partnership was able to get good things done was through that hard work, those sound business practices and collaboration.

If I could talk about what I mean by collaboration, because we heard that a lot this morning with LICVB frequently, was the idea of communication transparency. The one development that the Housing Partnership developed that's pretty well known is Southwind Village in downtown Bay Shore. I know Legislator Carpenter is very familiar with that development. The Housing Partnership was approached by then County Legislator Lazio to work on a particularly blighted area of Bay Shore, Smith Street. And it was one of the worst neighbors. The 3rd Precinct said it was one of the highest crime areas in all of Suffolk County. And we were asked to redevelop it and do several things; create homeownership opportunities, create affordable rentals and create business for downtown Bay Shore, create human traffic for Downtown Bay Shore.

It was a huge list. It was a \$14 million development, and it was very difficult to get started.

The only reason we got started was because the public sector, the County, Federal Government, Town of Islip was able to work with the private sector, the Long Island banking community to get the money started where we were able to leverage everything else involved in Southwind Village. There was a meeting in Bay Shore with several bankers. And we said to the bankers, here's what we want to do, we can leverage public money, but we need a commitment from the private sector. Ed _Travelyante_ who was then Chairman And CEO of European American Bank came up with a \$4 million commitment to proceed with Southwind Village. That \$4 million leveraged all other public funds coming in and many of the private funds.

The reason I mentioned this, the reason I use this as example is because I hope to, with your confirmation, get good things done in Suffolk County in a whole bunch of different areas. The Lease Screening Committee, it really speaks to the real worth of Gabreski Airport on many different levels. I hope to be able to work with people, collaborate, leverage, talking about the tourism bureau, get involved with Cultural Affairs, get involved with film, have all of these working together using downtowns as a place for tourists, for visitors, playing up the theatres in those downtowns, the restaurants in those towns. So this is a very long winded answer to your question, Legislator. But it brings in •• it brings in why I finally decided to leave a business that I think is a business with a social mission that's been incredibly important to this County and also reenter public service.

LEG. VILORIA • FISHER:

Thank you. Actually it was a good answer to the question. And I'm very pleased to hear that. And congratulations on what you have done with the Long Island Housing Partnership.

MR. MORGO:

Thank you.

LEG. VILORIA • FISHER:

My second question involves linkage. How will you work with Work Force Housing, inform your position with the IDA? How will you bring that into Economic Development and demands on how the taxpayer money is going to be spent to support new businesses?

MR. MORGO:

The IDA is an incredibly important agency for this County. What is the mission of Economic Development? The mission as stated in the Charter is to retain and help existing businesses expand and attract new businesses. Well, why does a business locate one place or expand one place and not another? Because of access to financing. The IDA's ability to issue the bonds to have lower cost financing is one of the key ways we hope to work with IDA. In fact, one of my first meetings in my first week if I am approved by the Legislature, if I am confirmed by the Legislature, would be •• it's already set up with Bruce Ferguson to talk about new ways we can get the IDA involved. And, you know, it's a fairly recent decision that the IDA can, in fact, be involved in financing homes. They are doing tax credit deals now, they're doing Belmont Villas in Babylon.

Some of the town IDAs, Islip for example, has long been involved in housing. So the IDA is indeed an important, if not the most important financial resource. I'd like to see the LINCT Deposit Program reinstated. I think it sunsetted in 2002, and that's a program, again, as some of you know, the Housing Partnership has many members and supporters that are financial institutions, also known as banks. And I think those banks have to take a more active role in getting good things done in Suffolk County.

The third largest bank in the United States is coming into Suffolk County. They're going to have a big opening on October 4th, and that's Bank of America. Bank of America acquired Fleet. And I've already been speaking to the top fellows and women at the Bank of America to have them designate Long Island a primary market. You know, Long Island is always a secondary market for the banks, and that determines how much investment goes into a region. And the reason we are secondary is not because of our size, as you know, we would be fourth largest city, we're bigger than 19 states, you've heard all of that, but because of our proximity to New York City. That's why we are always a secondary market, because, of course, New York City is a primary market. The point that I've been making is the investments on Long Island, not only residential, but commercial as well are different from the kinds of investments that you can make in New York in a whole different approach. So I'm going to be working with the financial community. I know everybody in the financial community on Long Island now. And the IDA is going to be an incredibly important resource.

CHAIRPERSON NOWICK:

Thank you, Jim. I am going to go on with the calender. Just so •• because we have an 11:30 Parks Meeting.

MR. MORGO:

My pleasure.

LEG. SCHNEIDERMAN:

I just want to say one thing.

MR. MORGO:

I didn't even mention as a baptized Red Sox fan, it was wonderful hearing this this morning, but it was difficult hearing the name Mookie (sic) over and over.

LEG. SCHNEIDERMAN:

Jim, I just wanted to say thank you, not so much for being here today, but for accepting the position. You know, I think you are among the strongest advocates for housing, and I do think that is the biggest •• you know, keeping our young people in Suffolk County is the biggest issue facing the County. And I agree with you on all those linkages. And I'm happy that you are willing to serve in this capacity. That's all I'll say for now. I look forward to working with you. I've enjoyed working with you in the past on housing issues. We have a lot more work to go.

CHAIRPERSON NOWICK:

Legislator Carpenter.

LEG. CARPENTER:

Jim, you know how I feel. I'm just thrilled that this is happening. I can't think of another appointment that was more appropriate and is going to be beneficial for us in the County than your selection as Chair of Economic Development and Work Force Housing. Listening to you share your passion about the Long Island Housing Partnership, and I know how it's been your life for all of these years, I just hope that you will be able to have the economic development component be the driving force, because I personally feel, and yes, there is a linkage, and we have to recognize that and work with that, because when you're trying to retain and recruit new businesses, the issue of how are their employees •• you know, are they able to afford to live here.

But we need to grow this economy. That is in my mind the most important thing if we are to

survive, is to grow the economy, because we are at the saturation point of taxes. I mean, you just can't look at that any longer. So that's why I think the experience that you bring to the position is really going to be very, very helpful. And I was very glad to hear you mention the LINCT Deposit Program and disappointed to hear that we've kind of let it go, because I had worked, at the time I was Chair of Economic Development, with Treasurer Cochrane and the Economic Development Department at the time to try to get that going, working with the will LIA.

So hopefully we will see that reinstated and pledge my support, you know, in any way for that. Again, this is an exciting time for the County. And I know you are going to help keep those business here. And hopefully you will have influence on someone like Cablevision who I think is for all of the money that they garner from this region, for them to be running the series that they're running this week on leaving Long Island, I think is doing us the biggest disservice I have ever seen. It is so counterproductive. And really, they should be taken to task for what they're doing. I can't say how strongly I feel about that enough. I think that is just so unfortunate.

MR. MORGO:

I'm going to be on their "At Issue" tomorrow on the subject, so I'll mention that.

LEG. CARPENTER:

Good. I think we need to talk about all of the positives of this Island. And North Carolina and Florida are not the panacea. Because, you know, if you want quality education and you want the services, yeah, maybe their taxes are a little bit lower, although I know from personal experience, my sister has relocated back to New York, back to Long Island after living in Miami for 30, their taxes are going up, you've got to pay for every service that you want. And dollar for dollar, it really is no cheaper if you want to have the same quality of life that you have here on Long Island, particularly Suffolk. So congratulations and good luck.

CHAIRPERSON NOWICK:

Legislator Foley.

LEG. FOLEY:

Thank you. It's not a question, I just wanted to also •• because I think it's important and the record should reflect the fact that James had spent many, many years in the Long Island

Housing Partnership. And there had to be an extraordinary reason for leaving that particular position to reenter County Government. And I would just simply state the fact that we welcome you back with open arms. There is the potential here not to get too •• let's say too involved in a response, but there's the potential here for this being one of the best appointments the County Executive has submitted. So it's my hope and expectation with Jim's background, and as had been mentioned earlier, passion for public policy and also very practical and pragmatic approach of linking a number of institutions and interests together, that over the next three years, three, three and a half, four years, we could do some great things together both the Legislature in a bipartisan fashion with your particular department.

In combining •• by the way, Madam Chair, combining community development with your office ••with your department is going to reap, I think, great benefits. So looking forward to working with you, as we've had already, but now with a different title and •• by bringing to the County your expertise and way of working with people that will only benefit the administration as well as benefit the County. So thank you.

MR. MORGO:

Madam Chairwoman, could I just respond to Legislator Carpenter and Legislator Foley? I'm aware of the time, I'll be very brief.

CHAIRPERSON NOWICK:

Sure.

MR. MORGO:

Legislator Carpenter, I am very aware of the things other than housing. If we had time, I have visions on many of them, which I'm sure I'll share with you in other committee meetings, but I am aware of that, and thank you for bringing that up. Legislator Foley, I look forward to being back in it too, because very candidly, I stuck a foot in the water this year, last year as a trustee of the college, which Legislator Carpenter, as you well know, is one of those hidden gems that we have in the Community College with Work Force Development, particularly. I'm going to hate to leave that board. Legislator Schneiderman, I hope to serve •• continue to serve with you and Legislator Vioria•Fisher on the Work Force Housing Commission. I was saying to some folks on the 12th Floor that I wish I were not Chairman for the meeting on the 9th, because •• you better not miss the meeting on the 9th. It's going to be •• I think we're getting good

things done there too. So I look forward to continuing this relationship with this committee. And thank you for your time this morning.

CHAIRPERSON NOWICK:

You want to stay there for the vote. IR 1700, I believe we have a motion by Legislator Carpenter, seconded by Legislator Viloría•Fisher. All in favor? Opposed? 1700 is **APPROVED. (VOTE:7•0•0•0)**

1734•04. Confirming appointment of County Commissioner of Economic Development, James Morgo. (COUNTY EXEC)

CHAIRPERSON NOWICK:

We have a motion by Legislator Viloría•Fisher, seconded by Legislator Schneiderman. All in favor? Opposed? **APPROVED. (VOTE:7•0•0•0)** .

LEG. FOLEY:

Cosponsor.

LEG. VILORIA•FISHER:

Cosponsor.

LEG. COOPER:

Cosponsor.

CHAIRPERSON NOWICK:

So now I can say congratulations to you, and I can also tell you that Economic Development is very important, very important for this Island. I personally am here to work with you. Please feel free, call my office, come and see me. This is very important. This is something that I think this whole committee feels strongly about. Congratulations.

MR. MORGO:

Thank you very much.

1757•04. Extending deadline for expiration of Comprehensive Downtown

Revitalization Plan Citizens Advisory Panel. (NOWICK)

CHAIRPERSON NOWICK:

Motion by myself, seconded by Legislator Foley. All in favor? Opposed? Motion carried.

APPROVED. (VOTE:7•0•0•0)

1765•04. Accepting and appropriating an amendment to the College budget for a grant award from the State University of New York for a Bridge Program 2004 100% reimbursed by federal funds at Suffolk County Community College. (COUNTY EXEC)

CHAIRPERSON NOWICK:

Motion by Legislator Viloría•Fisher, seconded by Legislator Cooper and also put on the consent calender. All in favor? Opposed? **Approved and placed on the Consent Calender.**

(VOTE:7•0•0•0)

SENSE RESOLUTION

S•061•04. Memorializing resolution requesting the New York State Legislature to enact legislation protecting real estate commissions. (CARPENTER)

LEG. CARPENTER:

Basically this is in support of a Senate Bill that would put the commissions in an escrow account, because there have been times in the past where at the moment of closing they try to negotiate with the negotiating commissions downward, and it really puts the real estate brokers at a distinct disadvantage when they come to expect a certain amount and at the last minute they're kind of held hostage. So this is a Bill that Albany is considering.

CHAIRPERSON NOWICK:

Legislator Viloría•Fisher.

LEG. VILORIA•FISHER:

Quick question, Legislator Carpenter, isn't it the realtors who are involved in the negotiations? I'm just a little confused. Who is doing the negotiating?

LEG. CARPENTER:

The way it is now, they agree on a certain commission. There have been times when it comes to closing that the sellers will want to renege, and they have a hard time getting their commission after the sale.

LEG. VILORIA • FISHER:

Even though they have the contract in place?

LEG. CARPENTER:

Yes. So this would put the real estate commission in escrow.

LEG. SCHNEIDERMAN:

If a deal does not go through, the agent would still get the commission?

LEG. CARPENTER:

No. They can't hold them hostage.

LEG. SCHNEIDERMAN:

Commission is usually a percentage. So if something happens at closing and somebody doesn't deliver on something and the price gets reduced because of that, the commissions get reduced accordingly?

LEG. CARPENTER:

Yes.

LEG. SCHNEIDERMAN:

Okay.

CHAIRPERSON NOWICK:

So motion by Legislator Carpenter, seconded by myself. All in favor? Opposed? This motion has been passed. **APPROVED. (VOTE:7•0•0•0).**

Now we have also Chuck Stein from the College to make a two minute presentation to us. He was very patient.

MR. STEIN:

I just wanted to fill you in, and I'm going to pass these out, the results of the state budget and what the State Senate and State Assembly approved. We still don't know yet what will be vetoed, if anything, by the Governor. But this is a memo that I had written to our president with copies to the board that I want distribute so that you are aware of what's going on.

LEG. SCHNEIDERMAN:

What's the bottom line on that, Chuck, in terms of how it affects the County's contribution?

MR. STEIN:

At the moment what the Legislature passed was restoring the state aid to the \$2300 per FTE level additional. There was also an additional \$50 per FTE approved. And there was a slight increase in rental aid, which brought it from 21% up to 26%. We're not sure yet though what will survive any potential vetoes. So it's still too early to determine what's there.

LEG. VILORIA • FISHER:

An increase of \$50 per FTE.

MR. STEIN:

Assuming it survives any vetoes.

LEG. CARPENTER:

Chuck, have you gotten any indications from the County Executive's Office, I say this almost facetiously, if there are going to be any vetoes of our actions on the Community College Budget?

MR. STEIN:

I have not heard anything official from the County Exec's Office.

LEG. CARPENTER:

Okay. Because we are meeting on Tuesday, and I would assume that if there are going to be vetoes, that we will have them before meeting on Tuesday.

MR. STEIN:

I believe they have to be delivered by five clock on Tuesday.

LEG. CARPENTER:

By five o'clock on Tuesday?

MR. STEIN:

I believe. It's ten days from the enactment, which would be •• I don't know. That's up to you to determine.

LEG. CARPENTER:

Well, hopefully •• I don't know if Mr. Zwirn is within earshot or not, but I would hope that if they do contemplate any action at all that they get it to us in a timely fashion since we are meeting on Tuesday.

MR. STEIN:

Thank you. We would need that to start the fiscal year.

CHAIRPERSON NOWICK:

This meeting is adjourned right on time for the Parks Meeting.

(* THE MEETING WAS ADJOURNED AT 11:30 A.M. *)

_ _ **DENOTES BEING SPELLED PHONETICALLY**