

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, January, 11, 2006.

MEMBERS PRESENT:

Legislator Wayne Horsley • Chairman

Legislator Rick Montano • Vice•Chair

Legislator Tom Barraga

Legislator Jon Cooper

Legislator Lynne Nowick

ALSO IN ATTENDANCE:

George Nolan • Counsel to the Legislature

Joe Schroeder • Budget Review Office

Joe Muncey • Budget Review Office

Renee Ortiz • Chief Deputy Clerk of the Legislature

Ben Zwirn • County Executive's Office

Carolyn Fahey • Economic Development

Charles Stein • Suffolk Community College

George Gatta • Suffolk Community College

James Morgo • Commissioner • Economic Development

All other interested parties

MINUTES TAKEN BY:

Donna Catalano • Court Stenographer

(* THE MEETING WAS CALLED TO ORDER AT 9:44 A.M. *)

CHAIRMAN HORSLEY:

The Economic Development Committee is about to proceed. Will all Legislators report to the horseshoe. Thank you. May we all stand for the Pledge of Allegiance.

SALUTATION

CHAIRMAN HORSLEY:

And may we all stand for a moment of silence representing our

troops that are serving us overseas.

MOMENT OF SILENCE

CHAIRMAN HORSLEY:

Thank you very much. Great. Good morning, and welcome to the first Economic Development, Higher Education and Energy Committee Meeting of the year with some of the new gang. I just wanted to make a quick first statement to talk to the committee as well as those people here today on what our agenda will be for the next year, that, I believe, this committee is going to be a very active committee, that we intend to not only lobby, but govern, and be the lead on progressive issues confronting our economic and our global society.

We fully intend to work with County Executive on progressive programs that will promote growth, while being •• while being fair to not only our business community, but also our labor. We intend to look over the •• over this year, we are going to talk to the business community, we're going to ask them to come and make presentations, we're going to be talking to academia. Certainly our concerns with the Suffolk Community College, we want to be fully supportive, as well as we are going to be talking to our regional neighbors to the west. Of course, if they get their act together, that might be helpful.

We fully expect that we will be having public hearings on issues that face our economic interest, which would include issues such as

energy, and of course, issues relating to our education concerns and economic growth. We're going to be talking to our business leaders, we're going to be talking to the LIA, we're going to be talking to Action Long Island, we're going to be talking to a number of groups, have them here so that we can become partners, partners in business and growth for our economy.

We want to take a look at some of the IDA issues, the tax inducement policies. I often have a feeling being involved in economic development in this County that are not always as aggressive as we could be. And I believe that policies should be looked at on how we •• how we reach out to our business community and try to induce companies and positive environmentally safe companies coming to our County.

This committee will be one of action, and I welcome our new group together. And I fully anticipate that we will be working as team and collaborate with the County Executive to make law. And I fully wish to express that we are in this together. And maybe what we can do is we can •• we can keep some young people on Long Island, create some jobs so that •• and do the right thing for the people of Suffolk County. With that being said, I don't have any cards. I know Mr. Stein •• Mr. Stein, are you here? Did you want to say •• I know •• though he didn't have a card, he's representing the college. Why don't you come up and just give us a couple of minutes. And certainly this is •• this is something •• we will talk in the future, we would like to have you give us a full presentation. I know you weren't on the agenda today, but, please.

MR. STEIN:

I know Dr. Pippins will be contacting •• I know Dr. Pippins, President

of Suffolk Community College will be in touch with you, and I know she's looking forward to working with each and every member of this committee. I just wanted to congratulate you on your elections and reelections, and we look forward to working with you at Suffolk Community College. We have a great story to tell. And I know that the Legislature and this committee has been very supportive of the college and all the programs that we've come to introduce over the last couple of years, and we look forward to continuing that relationship.

CHAIRMAN HORSLEY:

Thank you very much. Any questions of Mr. Stein?

P.O. LINDSAY:

I do.

CHAIRMAN HORSLEY:

Sure. Presiding Officer Lindsay.

P.O. LINDSAY:

Mr. Stein, I know last year you embarked on the adventure of creating downtown campuses. I know you've opened the nursing school in my district, and that seems to be prospering. I go by there, and there's a lot of cars and a lot of activity, and it seems that a lot of people are taking advantage of that very worthwhile program. I know that we had a model to do a similar thing in Riverhead with the Culinary Institute, how is that going?

MR. STEIN:

Actually, I'm going to ask Vice•President Gatta, who's here, who's been working very closely with that to come up and comment on that.

MR. GATTA:

Good morning.

CHAIRMAN HORSLEY:

Good morning.

MR. GATTA:

Last year we went through •• went through a competitive process to select a developer to provide the college with a basically turn•key facility for the Culinary Center to be located in Downtown Riverhead. Those resolutions authorizing that lease for that building were presented to the Legislature other the last year, they were approved. We have subsequent to that entered into and signed a lease for a facility in Downtown Riverhead that's approximately 28,000 feet. It will be a state•of•the•art culinary and hospitality facility.

It's located on the corner of •• basically the corner of Main Street and Roanoke Avenue. It will be a two•story building. It will have both a fully equipped culinary lab and a separate bakery and pastry arts

laboratory. It will have a demonstration theatre for both culinary demonstrations and also wine demonstrations. It will have a multi-purpose room on the first floor, which will actually convert into four separate classrooms, much of the academic component of the culinary degree will be taught in those classrooms, but it will have the ability to open up and serve as a special function room for small events; if the Chamber of Commerce wanted to have a dinner, a luncheon, that's the type of thing we could host in that facility.

It would also work very well with the demonstration theatre where you have individuals coming in for a class or a demonstration whether it be culinary or a wine demonstration or wine tasting, you could then go from that demonstration theatre into the special function room to continue •• to continue the event. The second story of the facility will largely be classrooms for regular academic offerings. As some of the veteran members of the Legislature know, the College has grown significantly over the past seven or eight years, and we have been forced a number of times to use modular temporary-type buildings on our campuses because of the long duration of time it takes to construct permanent facilities. So this also gives us a safety net in terms of some additional classroom space for both regular academic offerings and continuing education and professional development.

One other aspect of the facility that I did not mention on the first floor would be a retail operation. It will function as a not-for-profit, it will be both a bakery and a cafe type bistro on a Panera Bread-type concept. The building, while we've signed the lease, the developer is currently securing all of his permits. I know that he's received site plan review from the Town of Riverhead. He needs to submit for his actual building permit, architectural review and a number of other things. I anticipate that he will be breaking ground on the facility some time in early spring, and the construction time will be

approximately one year. We will then need some time to outfit the facility, because there is a significant amount of equipment, both culinary and other, that needs to be installed in the building.

I'm very pleased that the Presiding Officer is here today, because •• and I'm glad that he asked this question. Last year during the process of talking to you about downtown centers and about Sayville, I would like to touch on Sayville for just a minute if you have time for that after I touch on this other topic.

CHAIRMAN HORSLEY:

Touch away, George.

MR. GATTA:

Thank you. When we were putting the Sayville project together, we were very fortunate to secure funding from a number of our elected officials; starting with Assemblywoman Ginny Fields, who really got the ball rolling and provided us with \$150,000 through the community capital program through the State Assembly, and then Senator Trunzo with \$100,000 essentially through the C•CAP Program through the Senate, and then Legislator Lindsay, now Presiding Officer Lindsay was very supportive of that and worked with his colleagues last year to provide \$100,000 for that Sayville facility, that helped us put in a new biology lab, a nursing simulation lab, a computer lab, and helped us outfit that building.

That we then used to work with Good Samaritan Hospital, and we've

entered into a six year agreement contract with Good Samaritan Hospital to train nurses for them, to expand our nursing program beyond what we have been able to do. That six year program will provide the College with approximately \$1.7 million to fund the additional faculty and staff for that program, for their expanded program. What does Good Sam get? They get 30 additional nurses every year for the next six years, and hopefully, we will expand beyond that.

Now, while that project itself is a tremendous success for the region, for the County and for the College and for the students, it was really just the beginning of more •• it was a model of what we could do with other hospitals. And subsequent to that agreement, which was about a year ago, we've signed agreements with six other hospitals including St. Charles, St. Catherine, Mather, Brookhaven, Central Suffolk and Eastern Long Island Hospitals. And collectively, we will begin in the next week or two additional classes of 30 nurses each for an additional 60 nurses a year for those hospitals. And those agreements run from either four to six years, depending on the hospital. So that, in turn, generated an additional about \$2.7 million for the College over the next four to six years.

So getting back to the original point I wanted to make, Sayville has been a tremendous success, these nursing partnerships have been wonderful for the County, for the citizens and for the College. And the Legislature has much to be proud of for that. Getting back to Riverhead, we had asked last year for \$100,000 to help us pay for some of the equipment that we'll need to go into Riverhead. Unfortunately, that did not go forward. The Legislature did adopt it, and it go forward as part of the budget process. So today, I would like to begin that conversation with the Legislature. We could have a meeting devoted to that portion of meeting devoted to that or a portion of a meeting devoted to that where we can come in and show

you what other resources that we have in place and how we're planning on funding the equipment, the upfront cost for the equipment for that facility. But that's something that as you just heard is actively ongoing, and we anticipate having the building underway in the next several months to be occupied some time next spring.

CHAIRMAN HORSLEY:

Thank you very much, Mr. Gatta. Just as an aside, we love tours, at least I do. And as Jon Cooper calls us, he calls us newbies, some of the newbies as well, I'm sure, as some of the other Legislators would love to just take a look and see what you're talking about. It's a better thing, I think, for us to get a hands•on look•see so we know what we're dealing with and certainly your visions, and we appreciate that. Legislator Nowick, I understand you have a question.

LEG. NOWICK:

As long as you don't call the rest of us oldbies, I don't care. George, just quickly, because you said something and I was curious, when you said you had an area in the Riverhead facility that would be appropriate for maybe the Chamber to use for small gatherings, is that something that you would rent out? How would you work that? Or would that be just something of a community effort?

MR. GATTA:

It could be •• it could be rented out. But since we have the students there and since the students currently prepare meals for the

Riverhead Chamber of Commerce when they meet at our Eastern Campus, in some instances, it will be a hands•on learning experience for the students and for the •• and working with the faculty to actually run those events. But certainly, it would be available if someone wanted to rent it.

LEG. NOWICK:

Oh, okay.

MR. GATTA:

If they wanted to bring in a outside caterer, you know, we don't see why they'd need to since we have everything right there to prepare and serve the public, but, yes, it would be available for other special events.

LEG. NOWICK:

And I just wanted to say one other thing, which is really kind of on a tangent. The college •• and by the way, you're going to love the College. I mean, they have just grown so much, I'm so proud of the college. Everything you see there, cannot believe how wonderful it is. But if the College is in any way thinking of doing any more downtown, we have a place in Kings Park that could really use a little downtown revitalization, and, boy, I would be there to help you spearhead it. You know, call those New York State officials and tell them we need to do something.

CHAIRMAN HORSLEY:

We will work on this jointly. Are there any other questions for •• Mr. Lindsay.

LEG. MONTANO:

I'll ask it later, privately.

CHAIRMAN HORSLEY:

Legislator Lindsay.

P.O. LINDSAY:

Really for the edification of the committee, the nursing program, I don't know whether we realize it or not, but there's a desperate shortage of nurses, not only on Long Island, but across the country. And a lot of our local hospitals were spending an exorbitant amount of money to recruit nurses from all over the world, I mean, Indonesia, Asia, you know, you know, really afar and spending a considerable amount of money. The College came up with this program, which really is a model of economic development and a downtown revitalization program, but it's providing the education for careers, not jobs that our local people will work the rest of their adult life in the nursing profession with the with education they get here. And it's a very, very exciting program. It's probably the most exciting thing I've seen come along in a long time. I'm sure the culinary program will also fill a huge need especially on the East End where we have a lot of restaurants, wineries and stuff like that. And the equipment, I'm aware of the equipment, the equipment will be needed when the facility opens; am I correct?

MR. STEIN:

Well, we would need the equipment just prior to •• in other words, to get it set up. So we're probably looking ••

P.O. LINDSAY:

We have a Capital Budget coming up, I'm sure we could look at, you know, your needs when we get into the Capital Budget.

MR. STEIN:

We'll be happy to talk about it. Just to follow up on the nursing point that you make, estimates that have come out of Good Samaritan Hospital, it's something I think is important to note, over the next five years, approximately 25% of the existing nursing workforce will be retiring. So in addition to the current shortage, it's just going to expand dramatically.

CHAIRMAN HORSLEY:

That's great. It certainly falls in line with what you believe a community college's mission should be, and we appreciate that.

P.O. LINDSAY:

Just a last comment about the culinary institute. It really sounds wonderful, and I was wondering if I could register my wife.

CHAIRMAN HORSLEY:

Oh, geez. We'll go on from there.

LEG. NOWICK:

You are in trouble.

CHAIRMAN HORSLEY:

Legislator Montano.

LEG. MONTANO:

Good morning, George. I will ask a couple of question, I don't want to belabor the point. A while back we had a meeting with Dr. Pippins, myself, Assemblyman Ramos, and a couple of other people with respect to bringing the College or at least allowing the College to be more a part of •• a part of the surrounding community in terms of some of the events that go on locally. And there were some questions with respect to a change in the bylaws that would allow outside organizations more access to the College, particularly the Brentwood Campus, which is adjacent to my district. Have we made any progress on that? So you know what the status of those talks are?

MR. GATTA:

Doctor Pippins has met several times with community leaders and elected officials. I understand that she is talking with the Board Trustees. There is a meeting coming up on the 19th, at that time, I believe she will be requesting that the board •• she will be telling the board •• she will be informing the board that she would like to bring

back a revised policy to them at their meeting in February. So I believe the discussion is well underway. A number of issues have been identified. We need to make sure that the public is safe when they come to use our facilities and also that the use •• the public use is not detracting from the academic mission and the safety and security of the students that are on our campus at the time when these special events might be held. So all those things are under consideration, and it's well along.

LEG. MONTANO:

That's good news. One other thing, we spoke, and I don't want to go into it extensively, but we spoke recently about the sports complex idea that was being entertained. And last we spoke, you said it had • • was kind of dormant. Is it still •• has it moved from there, or is it still at the stage where we left it in that it was an idea that probably would not come to fruition at the College?

MR. GATTA:

I wouldn't rule it out as coming to fruition.

LEG. MONTANO:

Okay.

MR. GATTA:

But as I explained at your last conversation, we have a new dean on that campus, there are a number of issues, a number of very high visibility projects that we're working on, including the one where

we're talking about allowing outside groups or more outside groups to come and use the campus. We have to examine that new project or the proposal in light of what additional burdens in terms of parking, in terms of regular access to the campus, might that other facilities pose with these other uses. So there are a number of issues that need to be addressed, but I wouldn't rule out something like that in the future. But there needs to be •• and I'm glad you brought it up today, because there needs to be, you know, a full public dialog on this, both at the campus itself with faculty, with students, with the Board of Trustees and certainly with this committee and the Legislature.

LEG. MONTANO:

Thanks.

CHAIRMAN HORSLEY:

Thank you very much. Are there any other questions? Mr. Cooper. Legislator Cooper, I'm sorry.

LEG. COOPER:

George, I was just hoping you could clarify one thing for me. I think you had mentioned that you expected the nursing program to generate 30 nurses per year for one of the local area hospitals. What was that again?

MR. GATTA:

Our contract with Good Samaritan Hospital, we've expanded our

program by 30 students, 30 seats a year for Good Samaritan.

LEG. COOPER:

How does that work logistically? Those 30 seats, how do you guarantee that those 30 nurses will choose to work at Good Sam.

MR. GATTA:

Because they have •• these individuals have been basically prescreened by Good Samaritan Hospital, they've met all their qualifications, and they've signed an agreement with Good Sam that upon graduation, they will go to work for Good Samaritan Hospital for four years. Good Samaritan, besides paying the College the additional cost for faculty and staff, is also paying the tuition of the students and other expenses while they're in the program. The same situation would be the other hospitals. It would 30 for Good Sam, 30 for St. Charles, St. Catherine's, and I forget the third in that group, but then you have Central Suffolk, Eastern Long Island and Brookhaven. Collectively, those are an additional 60 seats. So we've expanded our program by 90 seats a year beyond the program. We are at the point where we have the largest registered nurse, RN Program, in the State of New York.

LEG. COOPER:

And the hospitals pay 100% of the tuition, or do they share the cost?

MR. STEIN:

The agreement on tuition is basically between the student and the hospital. The student pays us and then they go for reimbursement

under whatever agreement they have with the hospital. The monies that are paid by the hospital to the college are for the faculty and staff that we have to hire to open up those seats.

LEG. COOPER:

Okay. Thank you.

CHAIRMAN HORSLEY:

Well, that's impressive, by the way. That's great. Any other questions from the Legislators? Very good. Gentlemen, thank you very much. We look forward to future presentations, working with you, tours. We would like to become partners •• remain partners.

MR. STEIN:

Thank you.

MR. GATTA:

Thank you. And we will be following up with your staff in the next day or two to schedule as many tours as you'd like.

CHAIRMAN HORSLEY:

Mr. Gatta, I always knew you as a professional and someone who follows up, so I appreciate that. Very good. If the committee would have no objections, speaking with Commissioner Morgo, he says that

his comments may be extensive, so I'm going to move to the Introductory Resolutions first if no one has nay objections. Is that all right? Good.

1029, appointing Kathleen Giamo as a member of the Suffolk County Industrial Development Agency (LINDSAY).

Ms. Giamo, come on up.

LEG. NOWICK:

Mr. Chairman, if I may. I just want to make a comment to the newbies.

CHAIRMAN HORSLEY:

The newbies.

LEG. NOWICK:

Kathleen Giamo has been here a few times. I've been trying to get Kathleen Giamo on the IDA now for three and a half years. So is by far the most qualified person or one of the most qualified persons out there in Suffolk County and probably Nassau and Westchester. She has been through grueling torture. Please be kind. This woman deserves to be on the IDA. But I just needed to make one comment so the committee would understand and so Kathleen, of course, would understand. Unfortunately, taking this highly qualified person on the IDA, and I want to see you there, and I'm fully supportive,

fortunately, she is replacing somebody that's been on the IDA, in February will have been there for 20 years, I just would have hoped that that person William (Maycheck) could have gotten that one more month, only because he did give 20 years to Suffolk County, or one month short of 20 years. That's my only problem, because somebody that's worked so hard, it would be a nice plateau for him to have reached. But having said that, just for my peers, this is by far going to be a wonderful candidate for the IDA. And that's my only problem, just to say that.

CHAIRMAN HORSLEY:

Thank you very much Legislator Nowick. Ms. Giamo, why don't you tell us a little bit about yourself.

MS. GIAMO:

First, I'd like to say thank you to Legislator Nowick. We do have a long relationship, Lynne, and I thank you very much for that. I'm most understanding of the position. And I'd also then like to say congratulations to all of the members of the committee, of the new committee. I'd like to send my appreciation to Presiding Officer Lindsay for his confidence in me a number of times and for having me here this morning.

I have been part of Long Island's real estate economic development business community for close to 30 years. I guess that would constitute also, I would probably be one of the oldbies too. But I also like to think at this point in time that I'm kind of a newbie because I am bringing •• I am now on the side of the business community where I am doing consulting services rather than working for a large

corporation, but one nevertheless that was very involved with the building of Long Island. So I've had the opportunity over the last 30 years to see the business •• to see the evolution of Long Island from a region that was growing and a defense•based economy to one now that has become extremely diversified in many areas. And I like to think I was involved in the diversification, bringing a lot of service industries and new opportunities here.

I'm very proud to be a part of the Long Island community. And as having the ability right now to actually be able to offer services in a wide variety of ways and play a part, I am happy and actually honored to be considered for a position on the Suffolk County IDA. I have worked with many of the Legislators over the years, and •• in different capacities, and I'm looking forward to do that in the future. I also would like to say the •• George Gatta, speaking on behalf of the Suffolk Community College, I would like to say that I was formally a member of the Board of Good Samaritan Hospital, and this initiative of the nursing was initiated when I was on the board. And it is probably one of most exciting initiatives and partnerships that I've seen come •• come along in a long time and one that we most definitely should foster with higher education, because this is •• these kinds of public•private partnerships are ones that are successful all over the country.

I am part of the Urban Land Institute, which is a world•wide land use organization. These initiatives are taking place all over the country, most notably in Pennsylvania, in Pittsburgh, where the universities there have created such successful economic development initiatives between higher education. And I'd just like to say that what is taken place with Suffolk Community College is just an excellent example of economic development, and one that I was happy to be involved with through the hospital. And also most recently, I was involved with the transition team for economic development for the new Supervisor of

the Town of Brookhaven, Brian Foley, and in that capacity, I was able to look at initiatives that possibly could take place with Stony Brook University and Brookhaven National Labs. I think these kinds of things are most definitely great opportunities for Suffolk County.

CHAIRMAN HORSLEY:

Very good. Kathy, thank you very much. Kathy and I go back many years in economic development circles. And I too agree with Legislator Nowick that she is an exceptional person. Before we go to any further questions from the Legislators, one question did come up, as Legislator Nowick calls it, the torture part. Apparently, you have represented as a consultant Top Gun, I didn't really know that much about Top Gun. There was a concern of recusals if you are a member of the IDA. I don't know if they are even going to the IDA, but could you elaborate on your position on that?

MS. GIAMO:

Yes. They are not considering at this time nor will they be any public •• in any way requesting any public funds, number one. And number two, my capacity with them as a consultant has been to advise them as to what I think is the best way to formulate their project that responds to needs of Suffolk County and the Town of Brookhaven. And I will •• without compromising the position, but I can state that I have looked at the different aspects and components of the project prior to consulting for them, and in my opinion, I considered a number of things to be very advantageous for Suffolk County, although, you know, once again, we differ in opinions, and I may need redirect them in different directions when I think that they are not in what I consider to be going in the right direction for the County, which in any development project takes place.

So I would definitely recuse myself from any project that a client would be involved with with the IDA, and I also would go the additional step to say that if it was any project that I felt was in conflict with what I felt to be a good thing to do in Suffolk County, I would definitely not take on that client. And I say that with the ability •• I'm very fortunate at this stage to have had a wonderful career here, and it has been, in my belief, one that people of Suffolk County had given me the opportunity, because I worked with a great deal •• great deal of civic participation through the projects I did with Reckson. And that gave me the ability to understand their point of view and to work through their concerns, so that I can take forth now and say I am fortunate enough to be able to decide what I feel is best and not necessarily from one that is a financial consideration to me personally, but one that I can do because I feel it's a good thing for where I live.

CHAIRMAN HORSLEY:

Thank you very much, Ms. Giamo. Any other questions from the board? Presiding Officer Lindsay.

P.O. LINDSAY:

Kathy, last year, I know you are aware that there was, I think, a couple of different resolutions that were sponsored at this horseshoe having to do with prevailing rates of the IDA. And as you know and my colleagues should know, the IDA member are totally autonomous. We don't have any authority to dictate your policy at the IDA should you be confirmed. But maybe you could share feelings with us on that.

MR. GIAMO:

Well, again, I have had the opportunity over the years to be very involved with the issue of prevailing wage and understand it fully. I am most definitely in favor of the protection of our, I would say, the quality of the work that's being done, and I believe that that, the prevailing wage, does protect that. We have a responsibility to our unions, and again, I've worked with them so many years and I understand, a big part of the prevailing wage discussion has been to promote an internship program, an apprenticeship program. And I believe that that's important, because it gives the opportunity for many people who otherwise would not be attending a university program or college program that may want to get into the trades. And I think the only way to protect and to see that we have that pipeline is through prevailing wage apprenticeship programs, so I am definitely understanding of it.

P.O. LINDSAY:

Thank you.

CHAIRMAN HORSLEY:

Thank you very much. Any further questions? All right. Anyone interested in making this motion?

LEG. COOPER:

Motion to approve.

CHAIRMAN HORSLEY:

Motion by Legislator Cooper on 1029 to approve, is there a second on the motion?

LEG. BARRAGA:

Second.

CHAIRMAN HORSLEY:

Seconded by Legislator Barraga. Any discussion? All those in favor? Opposed? So moved. **APPROVED (VOTE:4•0•0•1 • Abstention • Legis. Nowick).**

Thank you very much, Kathy, congratulations. I look forward to working with you. We're very proud of you.

MR. GIAMO:

Thank you.

CHAIRMAN HORSLEY:

We're now addressing **1056, Appointing Peter E. Zarcone as a member to the Suffolk County Industrial Development Agency (LINDSAY).**

Welcome, Peter.

MR. ZARCONE:

Good morning.

CHAIRMAN HORSLEY:

Tell us a little bit about yourself, Peter. Thank you.

MR. ZARCONE:

Good morning, Mr. Chairman and also to the whole committee. My name is Pete Zarcone. I am a member of Laborers Local 66 and have been so for over 21 years. I became a member LIUNA, which is the Laborers International Union of North America in 1985 and have worked in the field of construction since that point. For 13 years I worked in field as a building laborer, and the last five of those years, I also trained at the General Building Laborers Local 66 Training Site training the laborers to work in the field, different environmental classes, safety courses, whatever is required to meet the apprenticeship programs that we have teaching •• we teach now in our Local.

In 1998 I was hired to work as a labor management representative for the laborers, who I represent, roughly 15,000 laborers throughout New York City and also Long Island, Nassau and Suffolk County, and I would say roughly 2000 signatory contractors. Part of my duties in that capacity was to try and promote the work they do out there. Prevailing wage was mentioned, and that's one of the things that I was involved with. Investigating different jobs, we found a need, because with the prevailing wages out there, it's good for everybody, but the problem is a lot of people use it for their self•gain and the workers themselves aren't getting truly paid. So we used to investigate jobs to help to try to level the playing field. I also sit as a PAC Trustee for the union where work and promote •• you know, promote the union.

I'd just like to give you an idea of some of the positions I do hold within the union; in 1996, I was appointed Labor Trustee on the funds, and I still sit there today; in 1997, I was elected Executive Board Member of the Local, I've been through three elections and have successfully won all three of those and still hold the position as Executive Board Member; I sit on district council of my Local as an auditor.

I just like to give you a few ideas of some of the stuff that I've done as far as community activity. I volunteer at the Special Olympics for two different •• two different times. I organized fund raisers for one of my members who was disabled through a car crash. And one of the things I'm most proud of right now is the fact that I'm working with Assemblyman Phil Ramos, initiated a project in his area. It's going to be for the •• it's called the Bay Shore Beautification Society on the creation of the Bay Shore community reflection garden located down on Main Street in Bay Shore. This is a project that we will be starting hopefully in the early spring. The weather, you know, put us back a little bit. I'd be more than welcome to have any questions

asked of me.

CHAIRMAN HORSLEY:

Thank you very much, Mr. Zarcone. Are there any questions from the Legislators? Ms. Nowick.

LEG. NOWICK:

Thank you for coming here today. Who are you replacing on the IDA?

MR. ZARCONE:

I really don't have any idea who I'm replacing.

LEG. NOWICK:

Does anybody have that? Okay. His term is expired, is that it? Thank you.

CHAIRMAN HORSLEY:

Any further questions? Mr. Barraga.

LEG. BARRAGA:

Just a quick question for you. You have about 13 different

certifications in a lot of different areas, can you tell me •• I'm not too familiar with it, you have a certification in construction math, what does that entail?

MR. ZARCONE:

What does it entail?

LEG. BARRAGA:

Yes.

MR. ZARCONE:

It's not a great certification, it's just something that we teach •• you know, the laborers how to, you know, calculate different concrete or things like that on a job site.

LEG. BARRAGA:

It appears on your resume.

MR. ZARCONE:

It's one of the classes that we taught.

LEG. BARRAGA:

I was never good in math.

MR. ZARCONE:

To tell you the truth, neither was I.

CHAIRMAN HORSLEY:

That's why we are in this business, Tom. Any other questions of Mr. Zarcone? Anything you would like to add?

MR. ZARCONE:

I'd just like to say, you know, basically most of my experience does come from the construction background. And, you know, economic development, you know, is building construction. It's things of that nature where we want to try, you know, to build Suffolk County and keep people here. And, you know, we do that through our apprenticeship program also. That's basically it.

CHAIRMAN HORSLEY:

I believe the Legislators share your concerns and your wishes on that issue. Would anyone •• concerning Introductory Resolution 1056, anyone like to ••

LEG. MONTANO:

I'll make the motion.

LEG. COOPER:

Second the motion.

CHAIRMAN HORSLEY:

Okay. Motion by Legislator Montano, seconded by Legislator Cooper. Any discussion on the matter? All those in favor? Opposed?

Approved (VOTE:5•0•0•0).

Mr. Zarcone, congratulations.

MR. ZARCONE:

Thank you very much.

CHAIRMAN HORSLEY:

We look forward to working with you. All righty. Moving right along. And he said, we have to move •• if we can do the Introductory Resolutions before him, because he's going to speak to us at length on all sorts of good issues, let me introduce to you for those of us newbies, Commissioner Morgo, an old•time friend and certainly one of the stars of the administration.

COMMISSIONER MORGO:

Thank you, Mr. Chairman. Thank you for this opportunity too. I don't plan to speak extensively, however, the department has an extensive workload. I think that if you see the depth and breath of what we're doing, you'll see what I mean. And as you see, I have some of the key folks with whom I work coming up, and Carolyn Fahey is passing out a packet that we may be referring to as we proceed with this presentation.

Before I go any further, I want to congratulate some of you on reelection. I know that Legislator Montano had a particularly grueling campaign, He had a formidable opponent. And I also want to congratulate you on your elections, those of you new to Legislature, none of you are new to me, however. And it's good to have some folks who have been around for less time than I that I'll be dealing with. This committee is our principal committee, the department's principal committee. In fact, Legislator Nowick, your predecessor, Legislator Horsley, as Chair and I would work out the day usually, Lynne, before, we'd talk about the agenda. We started doing that late in the year, and we both agreed we should have begun earlier, because there was sometimes background and other things that were important.

The mission of the department is in your packet. If you just open up the packet, you will see the mission. And the begriming of it is exactly what you would expect from an Economic Development Department; encouraging businesses to expand and to retain the jobs that we have and to create new jobs and to attract new businesses. However, when it goes on from there, it reflects County Executive Levy's idea that he was going to bring other aspects of

economic development to the Economic Development Department. What I'm talking about precisely is workforce homes. And if you read on, you'll see that we talk about facilitating the production of homes that workers of the new businesses and expanding businesses can afford, that's the workforce home component of the title of the department. And then if you also read, also to support tourism and cultural affairs and to promote Suffolk County as an excellent place to live, work and to do business.

That ain't the half of it. We are involved in so many other things, and I'm really looking forward to your questions this morning, not only this morning, but as we go on in the Legislative session. The department operates under three overriding themes, and those are collaboration, flexibility and having a plan, having a strategy. And I might also add that one of my only personal themes is the need to expand waste water treatment facilities. Newsday's editorial, one of their writers said that I have an obsession with sewers. I'm not sure that's a legacy I want to have, however, when you think about the fact that more than 70% of the County does not have adequate waste water treatment facilities, it is the biggest detriment, the biggest barrier really, to economic growth.

In my previous life of creating homes that workers could afford, the only way you can do that on Long Island now with the cost of land is through added density, because of our aquifer, our fragile waste water, because we're surrounded by water. The only way you can have added density is through waste water treatment facilities. So I talk about sewers an awful lot, and the County Executive has begun programs to expand key sewer districts; the one in your district, legislator Horsley, the Hauppauge district, we're looking at expansion at Gabreski in Yaphank. So this is a key if rather mundane component of economic development, and you'll be hearing me talk about that.

I was thinking about it this morning and trying to illustrate what we do through tangibles. And I thought of one example of some of the work we did at the end of the year that is really illustrative of these three themes, the collaboration, the flexibility and having the strategy and sewers. And I was hoping •• I would really like to talk high•tech, maybe Telephonics, or super high•tech, like Brookhaven national Lab, but I decided instead to talk about a very low•tech business. I want to talk about muffins.

And we came •• the department came before this committee, I have to say this committee was very responsive, and it had nothing to do with the fact, although Legislator Nowick may disagree with me, that the muffin makers actually brought muffins for the committee. But let me just give you a quick run down on this, and then I'm going to turn this over to some key people. Uncle Wallys Famous Muffins is located in Shirley. They are in •• they are part of the Brookhaven Town Empire Zone, and they are doing very well. They are creating low•tech jobs, but these are jobs that our critical for folks who are not •• don't have, frankly, the education or the experience to go where the high paying jobs are. Jobs are being created in Suffolk County, but they're being created in technology fields, health service fields •• quick digression. As a former trustee of the Community College, I know the real work force development, economic development work that the College is doing, the collaboration to create more nurses that will stay on Long Island is critical.

Well, the jobs at Uncle Wallys, 125 of them, are low•tech jobs. Uncle Wallys is doing well. They have several new contracts. You know, Thomas _Freedman_ tells us the world is flat, we should forget about manufacturing, it's gone, it's being •• it goes to other countries. Well, this is the kind of thing you can't do in other

countries, produce muffins, they're perishable. But they certainly could do in North Carolina or Virginia. Uncle Wallys wanted to expand because of its many new contracts. They were looking for a 16,000 foot expansion, create 65 more jobs, create more sales. They were stopped because there were no sewers in the Brookhaven Technology Center. They were supposed to be. Twenty years ago there were supposed to be. They haven't been done.

The Town of Brookhaven said we'll form a town sewer district here in 2002, there has been no progress. So for them to expand, because of our Health Department regulations, and they're very important regulations, they protect our groundwater, they would have to buy two acres of development rights and keep them sterile forever. A sewer is going in there. This would have cost them, purchasing the two acres, \$250,000. As soon as the sewer was online, they would have been superfluous. The environment would have been protected. So they were looking at four sites out•of•state to take their low•tech jobs with them.

The department collaborated with the Health Department, with Planning and came up with a •• something that's never been done before. We said, "Why don't they rent? Why don't they rent the credits until the sewer is ready?" We put in all types of safeguards. The resolution to allow them to rent is null and void if the town does not pass its resolution authorizing the sewer to go forward. If the sewers are not online at a date certain, there are sever penalties, and in fact, there is a drop•dead date where they'll have to buy the development rights. But we tried to show some flexibility.

One of the issues was, well, won't this set a precedent, won't everybody then want to rent development rights. And it was pointed

out that not only was this an economic development initiative because we're creating new jobs, we're creating new investment in the County, but we're give an impetus to get this sewer online to protect our environment that should have been done long ago. Finally, when we came down to the stretch to create the resolution, I have to say we collaborated with the Law Department, and particularly with George Nolan, who the Legislature stole from the Executive Branch, but George was helpful and flexible through all of that. The resolution came before this committee, the committee saw the wisdom of it, and it was passed, the full Legislature passed it at the end of the year. It's not a small business, because now they're going to be 200 employees, but these are folks that do advance •• I think some of you •• remember Legislator Nowick, the Uncle Wally's folks actually brought their employees with them.

LEG. NOWICK:

The one women that was very pleased with herself, and she should be, because she went from one step to manager.

COMMISSIONER MORGO:

That's right. And this is the kind of manufacturing, low•tech, that we still need for our job base. Okay. Let me introduce my key people. As I go to my right, it's Carolyn Fahey. Carolyn's civil service title is intergovernment relation coordinator. She does much more than that. If fact, while the department was without a Commissioner for nine months •• that should have told me something, but anyway, Carolyn really served almost as de facto, she certainly was my bridge from coming from the Housing Partnership. And I'm going to ask her to talk about some of the things that she's working on.

To her right is Marian Zucker, Director of Affordable Housing, which is now under the department, and to her right is Joe Sanseverino, the Director of Community Development. I've worked with Joe in many different past lives back when I was with the County, certainly as President of the Housing Partnership, and we have a partnership that goes back many years. I think it's doing some very good things. To my left is Michelle Isabell•Stark. Michelle is involved in cultural affairs, which I'm told by Legislator Lindsay is now under this department. To her left is Tony Ceglio, the manager of the Gabreski Airport. So I'm going to begin then •• I'm going to ask Carolyn to talk about some of the key things she's been working on.

CHAIRMAN HORSLEY:

Commissioner, can I interrupt for just one second? I just wanted to echo your comments about this, the mundaneness of sewers. Being in economic development circles and reading the world is flat, there's no more manufacturing, I disagree with it also, but I wanted to state that any time •• so we all understand this, any time that you are having a bioscience, biotech, any of those types of industries, they cannot move into an area that does not have sewage. It's an impossibility and prohibited by law, I believe, and they will not come. So for us to remain competitive, you are absolutely right, sewers, though mundane, are critical. So thank you for bringing that forward.

COMMISSIONER MORGO:

Carolyn.

P.O. LINDSAY:

Good morning and congratulations, Mr. Chair. In keeping with your opening comments about using aggressive inducements to retain, expand and attract new businesses here, one of the focuses of our department is the Suffolk County Empire Zone. The Suffolk County Empire Zone was created in 1998 as a way for the County to utilize enhanced inducements and enhanced incentives to bring businesses to the former Grumman Facility in Calverton.

In subsequent years, we expanded that zone to bring some acreage to other area of the County that needed some of these enhancements and inducements, Wyandanch, Gabreski Airport, two sites in Downtown Riverhead, and one site in Flanders. These six subzones all have the ability to attract business and offer to them enhanced inducements with wage tax credits, capital improvement tax credits, property tax abatements and so on.

The department acts as the administrative chair for the Zone Administration Board for that Empire Zone. Suffolk County's Empire Zone is one of three in Suffolk County; Islip Town has one, Brookhaven Town and the County Zone. In 2005, the state budget changed some of the program inducements for this program. The main component being the creation of what's called a regionally significant project. It allows Empire Zone inducements to be given to a company and site-specific location for a manufacturing facility that's going to increase its job base by more than 50 new employees.

Last year, the end of November, beginning of December, we brought before this committee to offer that regionally significant project designation to Telephonics, a defense company in Huntington that actually manufactures anti-bomb mechanisms. And this company

was increasing their employment by over 100. We were all able to offer to them the Empire Zone benefits at their current location. They did not need to be located in an actual zone. So we were able to bring the incentives to them to induce them to stay.

As with Uncle Wallys, they could have gone anywhere. They have facilities in Pennsylvania and down south. It would have been cheaper for them to go to Pennsylvania or go down south if we weren't able to offer them these inducements. So through this Legislative body and then through the approval, hopefully this month, of New York State, Telephonics, Park Avenue site, will be an Empire Zone for that specific site.

One of the second programs on the high•technology side is the Gabreski Industrial Park, technology park. When we reallocated some of the unused acres from the Empire Zone, we moved 48 acres over to the Gabreski Technology Park, again, to allow us to entice businesses to come out, put some investment into the park and to create some long•term year round decent paying jobs for the East End community.

The park is unique in that it already has a sewer system, so the infrastructure is there to allow us to attract the biotech, the high•tech. Our goal is to create a homeland security, homeland defense, high•tech park that will allow the investment into the community. It will not compete with the downtown of Westhampton Beach or any of the downtowns. Retail will be of minimal use. This park has been under progress for the past seven or eight years.

We were at a standstill until March, until the County Executive and the Town Supervisor came to a meeting of the minds as to who will oversee the park with regards to zoning and site plan approval. Based upon that compromise, the town is preparing an airport planned development district master plan that will lay out the industries and the site criteria. They'll be doing the environmental on the site on behalf of the County. And at that point in time, the County will then go out and solicit bids for development in that park. The park of 48 acres of Empire Zone designation has the ability for a million square foot of development, 600 to 900 jobs. A huge economic engine for the East End of the Island, and it would be a huge success story for the County.

One program that's near and dear to your hearts and is time consuming and an enjoyment on our end is the Downtown Revitalization Program. Funded through the Capital Program, this grant process is •• I'm sorry. Funded underneath the Capital Program, this is a competitive grant process, through the guise of the Downtown Revitalization Citizens Advisory Panel, applications are solicited and reviewed on a merit-based criteria. The projects are then submitted to the Legislature for consideration, and then funded on a three basis through a contract with the local municipality. In your packets, we have included the Round Five Award winners and the criteria that is utilized by the Downtown Citizens Advisory Panel to score each one of those applications.

I talked a little bit about the Gabreski Technology Park. It is part of Gabreski Airport, an 1100 acre •• 1400 acre airport out in Westhampton, and with that, I will turn it over to Anthony Ceglie, the airport manager.

COMMISSIONER MORGO:

But before you do. Just to clarify something that •• not clarify it, but to expand on it, something that Carolyn said, the regionally significant project, it's something you should know. This Legislature passed a local law authorizing us to go forward under that. And also, the regionally significant project, Telephonics was the first the Long Island and only the second in the state. So we are moving ahead on that. And in the packet also is an editorial from Newsday talking about the downtown program and the changes in it and on Uncle Wallys. And I'm going to steal a little bit of Tony's thunder maybe, George Gatta asked you to visit the college.

CHAIRMAN HORSLEY:

I was just thinking the same thing. We love tours.

COMMISSIONER MORGO:

That's all. Go ahead, Ton.

MR. CEGLIO:

You stole my thunder. That was one of the first things I was going to say. Welcome everybody or anybody out for a tour of the facility. Just give Jim or myself a call. We do have 1500 acres of property out there.

LEG. NOWICK:

And a restaurant.

CHAIRMAN HORSLEY:

I have been there.

MR. CEGLIO:

Just to start off, Carolyn and Jim touched on the airport a little bit, I was told to put a presentation together. It started out at about 13 pages this morning, it went down to about one. So if you have any questions, my brief presentation is very brief. And feel free to either cut in or ask questions at the end.

Generally, the airport was built in 1943 by the Federal Government as an Air Force Base. It was turned over to Suffolk County in 1970. There's approximately 1500 acres, it's rounded up, it's actually 1486, which is land-wise more than any other airport on Long Island. It's an alternate landing •• alternate NASA Space Shuttle landing site. The Runways and taxiways, there's three of them. Runway 624 is our longest, 9000 feet with 2000 foot overruns, which makes it the third longest runway in the state. We have 100 based air crafts at the airport, consisting of small single-engine general aviation aircraft, three jets and several military aircraft, C 130s and HH•60 Helicopters.

We have an instrument landing system at the airport, which aides an aircraft landing in bad weather. It's one of three east of Mac Arthur. We also have an air traffic •• an active air traffic control tower that is currently run by the Air National Guard. It is the only air traffic control tour on the East End of Long Island. We have a Fire Rescue Station also run by the Air National Guard, and automated weather

station called an ASOS, that provides constant weather for the air facility, two aircraft service facilities or fixed-base operators at the airport. You'll commonly hear them called FBOs, that's what they are. They serve as basically gas stations for aircraft.

We have serve jet fuel farms and av gas fuel farms on site. There's over 40 private hangars on the airport, and there are several other private hangars that we are looking to develop in the future.

Economic impact of Gabreski Airport, there was a study done by the New York State Department of Transportation several years ago, which concluded that they are roughly 665 full-time jobs at the airport, 1000 part-time jobs, and a total economic impact of about \$58.3 million.

Our present basic financial information, which comes right from the County Budget documents, the airport in general has been a money loser in the past. We have made some increases over the last two years. Our revenue in 2004 was up 66% over 2003. Our anticipated revenue, as an estimate, for 2005 is up about 73% over 2004. I Just want to make a note of something that we have gotten back payments from past leases and also the Air National Guard, so we're not sure we're going to maintain those significant increases over next year, but we're certainly going to try.

Revenue for 2005 is the highest in the history of airport, although we're still operating at a loss of about \$800,000. So we're looking to make an increase for next year if we can. Our goal is to break even or be as self sustaining as possible. One note on that, there's a federal requirement that all revenue generated at the airport must stay at the airport, it can't be used to offset the municipality's General Fund.

Land and buildings at the airport. We do have •• the way we can make money is we do have buildings we can lease. We have leaseable property. One caveat with the leaseable property is any non aviation use has to be approved by the FFA for anything over three years •• actually, it's a minimum of three years. Air side, I mentioned the runways, taxiways, ramps, we also have hangars that are currently under lease. Our current airport projects are that we're currently updating our airport master plan. We're looking to rehabilitate one of our main runways, that long runway, put in a grant request last year for the Federal Government for about \$8 million.

We are constructing an airport maintenance building with County capital funds to replace a building that was recently torn down to make room for the technology park, security fence to the airport, tenant infrastructure study and snow removal equipment. Airport leases, we're constantly looking for •• well, not looking for, but we review airport leases. We have an Airport Lease Screening Committee that's made up of various appointees of committees and departments in the County. There's also a recently initiated Airport Community Advisory Board that meets monthly. It was started by County Executive Order in 2005 to promote better communication between the airport and surrounding communities. There are issues like every other airport with residential developments surrounding it. The community is concerned about the noise, and we're trying to address that right now. And that's •• again, if you have any questions, that's about all I have. I know I went a little bit longer than Jim wanted me to.

COMMISSIONER MORGO:

I just want to make something abundantly clear. The Airport Lease Screening Committee is the Legislature's committee. It is not •• it is not our committee. We have •• I'm a member, and I designated Carolyn to serve on it, but it is a Legislative committee. Just to make that clear. The airport itself, folks, could have taken up two hours with all the things going on there, but again, this has served as •• I hope this is serving as primer. I want to talk now and turn it over to Michelle Isabell•Stark on the cultural affairs aspect of the department.

CHAIRMAN HORSLEY:

Legislator Cooper.

LEG. COOPER:

Tony, I know that in the past questions have been raised regarding the landing fee schedule and concerns that the fees being charged were too low. Has that been rectified, or is that something that you're still looking that?

MR. CEGLIO:

No. In 2004 right before the US Open, legislation was passed to increase the landing fees. They have gone from, in 2003, I think we collected about \$2400. This past year, 2005, I think we're up to about \$300,000. So 2400 to 300,000, that's a large increase. So I think we are doing the right thing.

LEG. COOPER:

So now you feel that the fees that we are charging are more or less

in line with other comparable airports, or do you think that there's an opportunity to raise fees higher?

MR. CEGLIO:

No, I don't think there's an opportunity. When we selected or established the fees, we did look at other airports in the surrounding area, and we are comparable, if not slightly higher than everybody else. So I think we're right where we should be.

P.O. LINDSAY:

Mr. Chairman.

CHAIRMAN HORSLEY:

Yes. Mr. Lindsay.

P.O. LINDSAY:

While we are on that point, you said we're losing \$800,000, how much were we losing a couple of years ago? Can you comment on that?

MR. CEGLIO:

Yes, that loss has gone down. I don't know if I have the figures right now, but it's several hundred thousand dollars a year. Okay. In 2004 for instance, the loss I have •• it's an estimated number •• but 1.3 million, 2005 we should be down to, like I said, 800,000.

P.O. LINDSAY:

Do we •• I guess, as we lease more of the property there for industrial use, that's how we expect to put it in the black.

MR. CEGLIO:

That is exactly correct. The industrial park or the technology park, as we're calling it now, and the aviation land leases should help us increase our revenue.

P.O. LINDSAY:

As they come up, we're going to renegotiate them? Some of them have been very low, as I understand it.

MR. CEGLIO:

Some of the leases that were •• that are currently in effect were established some 20 years ago. So as they come due, appraisals will be done for, you know, to determine the correct amount for each lease.

COMMISSIONER MORGO:

Just to make you all aware on that. It is precisely these aviation leases that are causing some concern among the community, and that's why that Airport Lease Screening Committee is such an important committee. And you understand the conflict, we want to

get in the black, but the community is often resistant to new aviation leases.

LEG. MONTANO:

Let me ask a question, and you may have answered it. We're talking about losses of 800,000, but just so I put it in perspective, out of how much? Just give me •• you know, is that 80%, 20%, 10%?

MR. CEGLIO:

Out of our total budget?

LEG. MONTANO:

Yes.

LEG. MONTANO:

In other words, when you have a loss, you said the loss is 800 revenues over expenses, so what are we talking about?

MR. CEGLIO:

They're about 80% maybe. Revenue, like I said, is up considerably. Our expenses are actually down slightly. I'm not exactly sure, but maybe about 80%.

LEG. MONTANO:

Well, give me a ballpark figure on the revenues then.

MR. CEGLIO:

We should increase •• we should exceed a million this year for the first time.

COMMISSIONER MORGO:

In '05.

MR. CEGLIO:

In '05 as an estimate.

LEG. MONTANO:

And you said that of this eight •• well, of the revenues that you were receiving, some of them seem what I would consider a one•shot, is that a fair statement?

MR. CEGLIO:

The Air National Guard, we just signed an airport joined•use agreement with them that came up several years ago. As part of that agreement, they made back•payments for the last three years. So it's over 100,000.

LEG. MONTANO:

So really when you eliminate the one•shot, we're at, like, a 90% loss, is that what I'm hearing? Did I get that wrong? I may have misspoken on that.

COMMISSIONER MORGO:

You said 80%. It's not an 80% loss. I think you •• yeah, it's 80% of revenue, so it's a 20% loss.

LEG. MONTANO:

It's a 20% loss. Okay. Thanks for clarifying that.

COMMISSIONER MORGO:

And we have things on our budget that are really beyond control. For example, we pay the Sheriffs for being there. We tried to adjust that last year, you might remember, and there was a problem.

MR. CEGLIO:

We also paid sewage treatment costs. Just to give you an idea, in 2003, our revenue was roughly 350,000. So it's gone up considerably in the last two years.

COMMISSIONER MORGO:

Let me just have Carolyn explain the aviation fund.

MS. FAHEY:

Just so you understand the comment about the Sheriff and the sewage treatment plant. About three or four years ago, we requested the Legislature and the County Executive to create a separate fund so that we can keep a clear accounting of the revenue and expenses associated with running the airport. That also included part of DPW; the sewage treatment costs, the staff of that, and it also includes the Sheriff portion of that fund. So the overriding fund is Fund 625 of which you have Economic Development, the Airport Division, you have the STP from DPW and you have the Sheriff's cost.

So when Tony talks to you about our overriding budget •• our overall budget for Fund 625, I believe it include the Sheriff's cost, which are a huge chunk of our budget. So •• and there's a lot of internal issues with regards to overtime for the Sheriff, that when they pull from the Gabreski team they replace with somebody else and the overtime gets charged to us. You know, so there's a very intricate calculation on the overtime. The net fund reflects that.

LEG. MONTANO:

I have a vague recollection of the discussion.

COMMISSIONER MORGO:

What we tried is we tried to get a different category of security officer and we ran into some trouble. One of the things I want to mention that Tony mentioned, the Airport Joint Use Agreement, AJUA, we changed that with the National Guard, and now we'll be only charging

dollar a year. You say why would you be doing that? That was one of term, remember •• some of you will remember •• for keeping the 106 off the base realignment assignment committee. We wanted to keep the 106, which is another 1200 employees at the Air National Guard.

LEG. MONTANO:

Jim, thank you. Thank you.

CHAIRMAN HORSLEY:

Just quickly educate some of the newbies here. The Sheriff's responsibilities there, are they security?

COMMISSIONER MORGO:

Yep.

CHAIRMAN HORSLEY:

Okay. Any other questions?

MR. REINHEIMER:

I can give an idea •• their total expenditures in 2006 budget are approximately \$2.3 million, 2.3 million is their expenditure budget.

LEG. MONTANO:

I'm sorry. How much was that?

MR. REINHEIMER:

Two point three million approximately in 2006 in the Enterprise Fund, that's 625, which is the airport. In regard to the Sheriff's •• the Sheriff Department is using strictly overtime to man that, and I think it's a flat rate of •• right, it's approximately \$100,000 a year for the Sheriff's part for the security.

COMMISSIONER MORGO:

That's not right. That's definitely not right.

CHAIRMAN HORSLEY:

Legislator Montano has a quick question on this issue.

LEG. MONTANO:

I just want to be clear. You said that the Sheriff assignment is entirely overtime there or there's some disagreement that maybe it's, you know, assignment plus additional hours for overtime, is that the way it would work, Jim?

COMMISSIONER MORGO:

That's my understanding. You know what? Before we say ••

LEG. MONTANO:

Before you say, let's check it out.

COMMISSIONER MORGO:

I want to keep on point, because I see some of the folks have gotten up and left. And I don't want any of the other people have a lack of attention.

LEG. MONTANO:

I hear you. Another time.

COMMISSIONER MORGO:

But that was wrong.

MR. REINHEIMER:

Just one more. In the adopted budget, that line is \$100,000 for the overtime for the Sheriff.

CHAIRMAN HORSLEY:

Just overtime itself.

COMMISSIONER MORGO:

We also pay the Sheriffs. Okay. Michelle.

MS. STARK:

Good morning. As Jim is talking about Economic Development, what I do in Cultural Affairs is really administer economic development programs in the subsector subspace of the creative industries; that includes the arts and film production. I administer the Cultural Arts Grant Program, which is a merit based competitive program. We fund anywhere from seven to eight arts groups per year. That money comes from two funds; one is the General Fund, which contributes about \$200,000 a year, that money is directed toward community arts groups; we also get 16.7% of the hotel•motel tax that's collected in Suffolk County. That money is directed to arts organizations that are contributing to cultural tourism and downtown arts, including our theaters and museums.

I'm also the person •• the point person for the Suffolk County Film Commission. And I just want to make a point that in 2003, both the arts and film industries contributed \$240 million to the economy. So these are not trivial numbers. It's a very important piece of work we do in economic development.

LEG. NOWICK:

Say that again.

MS. STARK:

Two hundred and forty million.

LEG. NOWICK:

Per year?

MS. STARK:

Per year. That's in Suffolk County alone, that doesn't include Nassau County, because the multiplier affects of arts and film are anywhere from 2.5 to three. And actually there's a study being done at Cornell on behalf of the New York Production Alliance to find out what that multiplier is for New York State in particular. New York State is one of two major centers of production activity in this country, and 95% of production is done in New York City in the five boroughs, but the other 5%, we're talking about 5% of \$5 billion. So it can be significant.

LEG. NOWICK:

Can I ask a question?

CHAIRMAN HORSLEY:

Please, Legislator Nowick.

LEG. NOWICK:

I'm sorry to interrupt. That figure just is mind boggling. That's theater?

MS. STARK:

That's arts, that includes theaters, museums and film production.

LEG. NOWICK:

When you say theatre, you're not talking about, like, Loews Theatre.

MS. STARK:

No. No. I'm talking about non profit, non profit arts.

COMMISSIONER MORGO:

The Smithtown Theater.

MS. STARK:

We have about 12 not•for•profit theaters, and they're based in our downtown areas.

LEG. NOWICK:

The Gateway Play House.

MS. STARK:

I'm sorry.

LEG. NOWICK:

Is that not •for•profit?

MS. STARK:

What is that?

LEG. NOWICK:

Gateway.

MS. STARK:

Gateway is a for •profit. That's a commercial theatre.

LEG. NOWICK:

That's commercial. But Smithtown, we have one in Smithtown that's non•for•profit.

MS. STARK:

Smithtown is currently a commercial theater, but I believe he's trying to change that to non profit.

LEG. NOWICK:

I think they're going over to 401C. Gee, that's wonderful. Thank you. I'm sorry to interrupt, but that just took me off guard.

MS. STARK:

Well, you know that Extreme Makeover that happened in St. James.

LEG. NOWICK:

Well, I live in St. James so I do spend a lot of time there.

MS. STARK:

And that production alone, they were only here for five days, I estimate that the impact to the County and to the region was somewhere between 250 and 500,000 for that production alone.

LEG. NOWICK:

Wow. That's incredible.

MS. STARK:

Also just quickly, I know other people need to talk here, but I am the Commissioner's designee to the Tourism Promotion Agency, which was until December 31st the Long Island Convention and Visitors Bureau. We are now in the midst of an RFP process to determine who the next Tourism Promotion Agency will be, and that's the first time an RFP has been done for a convention and visitors bureau for the Tourism Promotion Agency in eight years, I believe.

CHAIRMAN HORSLEY:

What kind of publicity surrounds that •• that bidding process? I haven't heard much about that.

MS. STARK:

Well, the Purchasing Department is responsible for advertising the RFP opportunities.

LEG. NOWICK:

The RFP goes through the LICVB.

MS. STARK:

The LICVB was the sole respondent to this RFP opportunity.

CHAIRMAN HORSLEY:

Thank you.

COMMISSIONER MORGO:

Okay. I'd like now to ask Marian to briefly talk about her work as Director of Affordable Housing.

MS. ZUCKER:

Good morning. I'll try to be as quick as possible. I'm sure you all know importance of having an affordable housing stock in Suffolk County to the County's continued economic health. The programs I oversee include the 72•h Program, it's a program whereby the County transfers to towns and villages surplus properties for affordable housing purposes. Those transfers actually won't be coming to this committee, they're going to be heard by Labor and Affordable Housing.

The other programs I oversee are the Workforce Housing Programs. These are two funding initiatives funded by capital bonds; one to acquire land for affordable housing purposes and another to fund infrastructure improvements for affordable housing developments. The land acquisitions program, there are two developments in process now that we expect will be brought to the full Legislature sometime during 2006. Those include the Patchogue village initiative, there's a planning steps resolution for that development last year. We are in the appraisal process. We also have an initiative under way in the Town of Southold in the Hamlet of Greenport West, and that appraisal has been complete and we expect hopefully to bring that to full Leg by the end of 2006. We also have another

development in the pipeline. We'll be laying on the table a resolution for that at the next General Session.

The other things that I've been working on that I want to just discuss briefly was a report that was issued by the Workforce Housing Commission. This is going to be sent to you within the day or two by the Commissioner. It identifies •• the commission has been under way for the last 23 months, and they have identified a great number of tangible resources that should be directed towards the development of affordable housing and also achieved and put in place and also made recommendations for future policy and procedural initiatives.

And today at 12:30, I believe, the County Exec will be holding a press conference on the RFEI for the Yaphank site. We are going out for Request for Expressions of Interest from the development community for the possible development up to 250 acres at the Yaphank County Center. And if I just take a minute to explain the link of Yaphank and economic development. Part of what I've been doing on the Yaphank initiative is to be reaching out to employers in Suffolk County, especially in the general Yaphank area to see how •• whatever housing gets built on that site can best serve needs of their employees both current and future.

COMMISSIONER MORGO:

And just to really quickly pick up on that. The hospitals who can't keep their nurses, we had the Brook Memorial Hospital has been a big part of the effort that Marian talked about. Last night I was out at the South Yaphank Civic Association until ten o'clock last night, and surprisingly the idea of homes for their kids •• well maybe it's

not surprising •• the idea of homes ••

CHAIRMAN HORSLEY:

You've been preaching it so long, Jim, people are starting to listen.

COMMISSIONER MORGO:

They're starting to listen. I can remember how different it was when I had to be escorted put by police from a Brookhaven Town Board for the job we were trying to do in Selden in '86. And now there really is a different feeling, because it's the kids of the middle class, frankly. But what I wanted to pick up on with Marian is that there is a really tangible link between the need for these homes and growth of the economy in this County. And I'm sorry ••

LEG. BARRAGA:

When you are finished?

COMMISSIONER MORGO:

I'm finished.

CHAIRMAN HORSLEY:

Legislator Montano.

LEG. MONTANO:

Very quickly. Marian, if I recall, the Patchogue Village Project was what, about 80 units?

MS. ZUCKER:

It's going to be 80 units, 40 of those are expected to be workforce.

LEG. MONTANO:

Forty are. And the Southhold one you mentioned, the development there, how many units are we talking about?

MS. ZUCKER:

Twenty seven.

LEG. MONTANO:

Excuse me?

MS. ZUCKER:

Twenty seven.

LEG. MONTANO:

Twenty seven. Okay. And Yaphank is just a proposal, so you have no idea what's coming in on that, right? It's not a lot of units for what we need in Suffolk County, but it's certainly, you know, in the right direction.

MS. ZUCKER:

It's a start.

LEG. MONTANO:

One other question. When I sat on Ways and Means last year, I noticed that we were getting a number of resolutions that were selling whether it be adjacent land, primarily some parcels were adjacent land, I think that was Local Law 16, and some of these parcels to be quite frank with you were as large as 50 by 150, which to me are buildable plots, but apparently in the particular area where the homeowner was picking up these parcels, it was considered not buildable because of the size of the lot. And quite frankly I made a point that, you know, where I live my lot is 50 by 160, and I never new it was undersized.

So what I'm asking is, is there any way of •• you know, what I'd like to see and this is something for you, Jim, down the road, is that we take a look at the available land. And I think there's been talk about inventory, you know, developing an inventory of all County land that could somehow in the future be looked at for housing, kind of irrespective of the existing zoning. Where have we moved on that? You know what I'm talking about, Jim.

COMMISSIONER MORGO:

Yeah. Tom Isles was doing that, exactly that kind of inventory.

LEG. MONTANO:

That's what I had heard.

COMMISSIONER MORGO:

But when you say irrespective of the existing zoning, I'm not going to go into it now.

LEG. MONTANO:

I don't want you to, we'll be here all day.

COMMISSIONER MORGO:

So I don't have to say anything more. It's very hard to be irrespective of the existing zoning.

LEG. MONTANO:

No. My point is that land is existing •• if it's under the ownership of the County irrespective of what the use is going to be at some future time. So he is prioritizing what land is available and usable, or is he just saying Suffolk County •• this is the map of Suffolk County, these spots are properties that the County owns or potentially will own for back taxes, if you know, Jim?

COMMISSIONER MORGO:

Yeah. It's my understanding that that's what he's doing. He's looking, he's creating that inventory, particularly in areas where we own many parcels.

LEG. MONTANO:

Thanks, Jim.

CHAIRMAN HORSLEY:

Thank you very much. Legislator Barraga.

LEG. BARRAGA:

Thank you, Jim. Jim, let me ask you a question with reference to the Downtown Revitalization Program. I just have some concerns not so much about the program but in terms of the distribution of the dollars. I've been in public life quite a while and you were a County Legislator at one time. You know when people come in to see us they are not coming in say what a great job we've done, they come in with serious problems. And a lot of those problems have to do with the economic burden they face living on Long Island, everything from affordable housing to paying their property taxes to dealing with two counties that have over 900 different quasi levels of government, every hamlet has their own library and school district and water district and garage district, you name it. It's a stress and a strain on a lot of people.

This revitalization program, I understand the communities fill out the application, there's certain criteria, but, you know, when I think of how the money is being spent in relation to what I'm really hearing from people in my office, how things are so tough economically, I have some problems with it. Maybe this program should be tightened up a little bit to make sure that as you allocate the dollars they're predicated more on real need in the community versus, you know, 25,000 to refurbish a Zamboni machine. I mean, if I were to say something like as the van leaves to North Carolina, you know, people would have looked back and say that's one of the reasons I'm leaving, this doesn't make any sense.

I mean, I've seen huge amounts of money being paid •• expended on street lighting. Every 50 feet, these historical beautiful lights. Yet in the middle of these lights are high sodium vapor lights. All because people are saying this is so decorative as we come into our little hamlet. Well, you know, who picks up the freight on this? The taxpayer picks up on the freight. That may be the straw that breaks the back in terms of someone staying here or leaving.

Now, the revitalization program, I don't think you're going to find a Legislator who's against it. All I'm saying is that when you start doling out the dollars, maybe you have to look a little more and see, you know, is this thing really needed for this community or is there something else here that they do need that's more fundamental for the hamlet itself and for the people in the area?

Because when you take a look at the macro picture, you know, many of our people in our given areas are having a very, very tough time.

This •• a lot of these dollars could not be justified in their minds. And these are the people for the most part •• you know, I here from them, other Legislators hopefully are hearing from them. You know, they're not the vocal ones, they're not the special interest groups you're going to see at the chamber meetings and all this other stuff that run around with all these things that they want. These are people just trying to struggle and make a living. And this program sounds like a good program, but maybe, you know, you have to key in a little more in terms of areas where there's really a true need in these hamlets.

COMMISSIONER MORGO:

I'm so grateful you asked that question, because the idea of tightening it up was precisely what the downtown revitalization panel did during the past round. Just to quickly let you know, whatever funds are used are allocations of the Legislature. Each Legislator appoints one person who sits on that panel who makes the recommendations. And exactly what you are talking about, Legislator Barraga, the impact, the real economic impact the funds have was one of key criteria. In fact, it was one of the criteria where we had the most points. The Zamboni machine when you think about it you say, yeah, what is that doing for the downtown. Well, that went to Port Jefferson, and the ice skating rink there was an attractor or magnet. And for that money for the Zamboni machine they had to demonstrate economic impact, and they also had to show that they were leveraging other money.

Is the program perfect? Probably not, but it's a decision of the Legislature that the downtowns are important for economic development, particularly small businesses. And it's the people from the downtown themselves, those very people you are talking about, who are living sometimes one paycheck to paycheck, who are trying

to make their business work, who are where we get the information through their chambers of commerce. So it was tightened up certainly from the way it was in its four previous rounds, and it maybe could use more tightening. The key is as I serve back to you, are the folks that you appoint to serve as your representatives on the panel, because the panel makes the recommendation to this Legislature. The final decisions on these are the Legislators.

CHAIRMAN HORSLEY:

Mr. Morgo, isn't it now merit-based, where they have to score?

COMMISSIONER MORGO:

That's what I was eluding to, Legislator Horsley. It was a sea change really, and it made some waves, to extend the metaphor. Doing it differently is always something that will be controversial, but it was a long process. I know invite you to come to the panel meetings, because you will see the folks that were appointed are serious people, and they really understand how important downtowns are to the overall economic health of Suffolk County. Carolyn wanted to say something further.

MS. FAHEY:

On that point, Legislator, in the last round of applications, the maintenance cost, the upkeep, the overall long term cost of the project was a condition that they spoke about with each application; who was going to cover the maintenance, who was going to cover the electric bills, who was going to cover the repainting of whatever they put in. So it was an issue that the committee talked about and implied with every application. With regards to the smaller projects, the Zamboni machine, there was a \$300,000 leverage for that •• for that \$25,000. While the Zamboni on the face of it might not be something that you consider downtown project, there was \$300,000

that was leveraged in that project to create the ice skating rink and everything else.

LEG. BARRAGA:

Carolyn, certainly, you know, you can justify this. I'm not ask you to justify it. All I'm saying is that •• and you know the nuances associated which each one of these projects. All I'm saying is that sometimes the perception of how it looks to someone who's struggling to make a living •• all right? And the other thing I'll mention unrelated, a wise old Democrat about 30 years ago took me aside and said let tell you something kid, there's no glory in sewers or garbage.

CHAIRMAN HORSLEY:

Thank goodness there are new Democrats at hand.

COMMISSIONER MORGO:

Joe Sanseverino, Community Development. Joe has a program that he is going to speak about that has a very visible obvious connection with economic development.

MR. SANSEVERINO:

Good morning. The Community Development Office in Economic Development, we are basically an office that receives federal grants funds, two major grant programs; one is the Community Development Block Grant Program; and the other is the Home

Investment Partnership Program. And those programs are used to •• for things like neighborhood revitalization, development of affordable housing. We kind of •• I guess if I looked at the overall office, we kind of get involved with just about everybody so far in the office except for maybe the airport at this point.

But our responsibilities are such that we try to help deals go forward, if you will. In the area of community development, for instance, our funding is given out to various townships in the County, and those funds actually find their way back into some of our downtowns, for instance. Two of the ones that come to mind right away would be Patchogue and Riverhead where we have utilized a considerable amount of Community Development Block Grant Funds in support of the revitalization efforts that are going on in those downtowns. For instance, in Patchogue we worked on the Patchogue Theatre, which has become a very popular venue in Patchogue that has community development funds in there to help fix that theater up.

Riverhead, we've worked with the arts people in Downtown Riverhead and Riverhead tries to become more of an arts our tourist destination. There has been some renovation work to the East End Arts Council down there, as well as we provide community development funds for infrastructure, for parking in the downtown area. So we have that connection with it, the economic development aspect of community development, while we also use funds for general neighborhood improvements where we put •• we develop parkland or new streets and things of that nature.

The housing side of community development has really kind of shifted in recent years. We have really pushed community development and the housing aspect of it to link up with economic development

issues. And what Jim was referring to was this year we revised our Employer Assisted Housing Program, which is a program that we use our federal home dollars to offer down payment assistance to attract and retain workers to the area. We have about 50 businesses now that have joined up with Suffolk and Nassau County, it's actually a bi-county program.

We initially started it here in Suffolk County and we've convinced Nassau County to also be a partner with us now in this program. But we have now about 50 businesses that have decided to join, and what that program does is we provide up to \$17,000 in funding towards a down payment towards the purchase of a home. And that funding comes from two source; 12,000 comes from our funding, the home funds that we get through Suffolk County from the Federal Government; and another \$5000 grant from New York State. That state program is actually administered through the Long Island Housing Partnership. So there's \$17,000 available for down payment assistance for an employer to offer to their employees to help them buy a home and stay here on Long Island.

We ask the employees to provide \$3000 toward that \$17,000. So they have to buy into the program also. For each one of their employees that goes through the program, we require them to provide us with \$3000. In addition to that money to buy the house, there's a \$15,000 grant, if you will, deferred loan that's also used for the rehabilitation of the home. So you can actually get money to buy the house and rehabilitate the house.

This program, we revised it. It's been around for several years, but because the dollar amounts were too allow from the standpoint of how much we were offering and the incomes limits were too allow to

attract a lot of people, we made some changes; we were able to get higher income limits, we were able to get the dollar amount that we could provide increased, and we also will get the dollar amount of the house itself, what it costs to purchase, increased. All those factors have resulted in, and I think we have provided you with a list some of the companies that have decide to join. So this is a way where we have been able to respond to a need where we had businesses coming to us and saying our employees can no longer live here, we looking to places like North Carolina to find a place for them to live where it's cheaper to work. This was a way of us responding to that need, and it's proven to be quite successful recently.

We also have, just for your information, we run a general down payment assistance program that's available to all of the residents in what we call the Suffolk County home consortium. It's includes all the townships except Islip and Babylon, they have their own programs, but everybody else is in. That program helped 1040 people purchase a home over the last 12 years.

So we have different programs that are directed towards home ownership, we develop new housing. Marian brought up Patchogue Village. We will be working with them providing some financing in that project for the development of those 80 units. We're also talking to them about working also in the Southhold project by providing some of our federal funds for financing of that development. So we have sort of taken the community development aspect of things, and we've also generated now some economic development out of that program, and that was the purpose of bringing both the Community Development Office and the Economic Development Office into one larger department. That's a real quick synopsis, and I know it's late.

CHAIRMAN HORSLEY:

There you go. Legislator Nowick.

LEG. NOWICK:

Just quickly, and thank you all for your comments. And I just want to say this quickly just to •• I have to support what you have been doing with the Downtown Revitalization Program, because reading •• in my town alone, giving money to the Town of Smithtown to put that center island in, I have to tell you, that's been a danger there for years. I've seen people get •• right now in that area, there are many bars there, the kids at night cross the street center, that center isle will, first of all, might revitalize, but it will also save lives. So I have to believe in what you are doing.

And I will also say, as silly as the lights might seem, I find myself saying to my daughters, "Why don't you go take a walk today in Huntington village, it's so charming?" Well, when you people go take walks in villages, what do they do, they spend money. So it's •• you know, I don't think it's frivolous, and I think that •• I think that you are doing a great job.

I just will say one thing. I think that •• I believe that Legislator Barraga is on right track, and I understand what he is saying. I think that we have gotten some insight as to the Zamboni machine. But I do think, I do think the really problem is and something that I don't know what we can do and how we can address it, but I think the people that are really suffering are three bills that come into my house that scare the life out of me. One is, Kevin Rooney leave? One is my oil bill, it's frightening when that truck pulls up, I tremble. The other is my electric bill, and the other one is what?

COMMISSIONER MORGO:

Property taxes.

LEG. NOWICK:

Taxes. And it's not the County tax. I'm a former Tax Receiver, I know where every dime goes, I know where every percentage is, and I know where the minus and the plus is. So I don't know that we can do anything about that, but I believe that that is the real nuts and bolts there.

COMMISSIONER MORGO:

If I may, Mr. Chairman.

CHAIRMAN HORSLEY:

Please.

COMMISSIONER MORGO:

Thank you, Legislator. So that Joe, when Joe was talking about the Employee Assisted Housing Program, one of the things I've been talking about for years and years, certainly before I came to the County, was that businesses talk about the need for workforce homes, but what do they really do. Here's a chance for them to put their money where their mouths are. For \$3000 they can leverage as

much as \$32,000 extra, they just have to put up the three. And finally, some of the businesses are seeing it. All right. Well, this was an extensive presentation.

CHAIRMAN HORSLEY:

Yes, it was. So I handled this correctly then, Mr Morgo?

COMMISSIONER MORGO:

Yes. One of the things that I want to emphasize with all of you, these are my key folks. Feel free to contact any one of them on any one of these issues individually, they'll tell me that you have. But feel free to do it. And as you can see, we went over it as quickly as we did, everything from the homes for workers to the airport to the arts to the downtowns, to the Empire Zones are all in themselves very extensive programs. So feel free •• and you will get sick of me coming before this committee. But I think it's a committee that I'm very happy to have you folks on and happy that you are Chair with your background, Mr. Chairman. And if you have any other questions, we'll answer them now. If not, thank you for your time.

CHAIRMAN HORSLEY:

I think we are going to •• we are approaching the 11:30 hour, but let me just •• on behalf of the committee, we thank you very much for your presentations today. Know that you have •• you have partners in collaboration with the Legislature. And we're very concerned as you are. We are in this together. And thank you very much for being here, and we look forward to working with you in the future. May I have a motion to adjourn?

LEG. VILORIA • FISHER:

Mr. Chair, before you adjourn. I'm not on the committee, I'm here for the next committee, but as the Legislator whose district the Zamboni is going to which by the way, I didn't propose, but anyway, the ribbon cutting will be Monday at 10:00 a.m.

CHAIRMAN HORSLEY:

Mr. Barraga is invited, I'm sure.

CHAIRMAN HORSLEY:

Okay. Motion to adjourn by Legislator Montano. We're recessed.

(* THE MEETING WAS ADJOURNED AT 11:25 A.M. *)

_ _ **DENOTES BEING SPELLED PHONETICALLY**