

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, April 22, 2009.

MEMBERS PRESENT:

Legislator Wayne Horsley - Chairman
Legislator Steve Stern - Vice-Chair
Legislator Vioria-Fisher
Legislator John Kennedy

MEMBER NOT PRESENT:

Legislator Cameron Alden

ALSO IN ATTENDANCE:

George Nolan - Counsel to the Legislature
Joe Schroeder - Budget Review Office
Joe Muncey - Budget Review Office
Alicia Howard - Legislative Aide
Ben Zwirn - Deputy County Executive
Christopher Capece - Avalon Bay Communities
Matt Whalen - Avalon Bay Communities
Debra Alloncius - AME
All other interested parties

MINUTES TAKEN BY:

Donna Catalano - Court Stenographer

MINUTES TRANSCRIBED BY:

Kim Castiglione - Legislative Secretary

(THE MEETING WAS CALLED TO ORDER AT 2:04 P.M.)

CHAIRMAN HORSLEY:

Good afternoon, everybody. Welcome to Economic Development, Higher Education and Energy Committee meeting of April 22. Would you please all stand for the Please of Allegiance.

SALUTATION

And please may we stand for a moment of silence. And I understand that the Governor has lowered the flag today to half-mast because of the loss of one of our soldiers from New York State in and around Baghdad over the last day or two. So please may we have a moment.

MOMENT OF SILENCE

Thank you very much. Please be seated. All right. Again, good afternoon. Welcome to Economic Development, Energy and Higher Education. We have a presentation this afternoon that I think you are going to find very interesting from AvalonBay Communities. They are going to be talking about the cost of the approval process by Christopher Capece, Development Director, and Matt Whalen, Vice President of Development at AvalonBay. As you know, AvalonBay is a developer on Long Island of longstanding and a very credible, important corporation for Long Island and who we know is part of the economic development fabric of our community. If I may, Matt are you leading this or how is this going?

MR. WHALEN:

Good afternoon and thank you for that kind introduction. Good afternoon. My name is Matt Whalen. I'm Vice President of AvalonBay. Good to see you all. I'm also in 2009 President of the Long Island Builders Institute. I'm going to give a short intro and Chris is going to walk you through a presentation which we gave -- I gave to the entire Planning Department at the Town of Brookhaven a couple of months ago, and was really triggered by a discussion I had with Councilwoman Kepert about the process of a community that's almost finished. It's out in Selden; its called Avalon at Charles Pond. It's a 200 unit development of rentals. It's a beautiful community. It's right on Middle Country Road. It is about half leased right now and almost all the residents are between 25 and 35.

It's one of these communities that we have been talking about that it's important to keep our young people here on Long Island and it's been encouraging to me to see the demographic that are now residing there. It's exciting to see the young people find a place to live that they can afford, and a rental, and also a place that has amenities that they enjoy like a fitness center and an outdoor pool.

Our message today, if you take away any message, it's very simple and it's time is money. The real estate development business is a very difficult business. We chose to do business on Long Island along with a lot of other markets where we call them high barriered entry markets. Sometimes those barriers get a little too high and start to stunt economic growth. We all know in this time right now that economic stimulus is something that's very important. And the real key for me when I gave this presentation to the Planning Department, and it was a large group, they invited everyone. It was, you know, 75 people in a room. I did, from the questions that were asked when we were done, that I realized that there were some light bulbs that went off and people started to connect the months and months, and in this case almost two years, that it look to take a zoned site through to permitting. And every month that goes by has a dollar figure attached to it that, you know, frankly we'd rather spend building a park or doing something of public benefit and bringing housing stock into the housing stock of Long Island.

So, you know, that's our primary message today. And, you know, for a County body you may think, well, you know, the process is primarily controlled by the towns, but the County plays a significant role with the agencies that are involved, whether it's DPW or Health and those processes we are really encouraging to be more defined.

The last piece I would tell you is that that presentation actually resulted in action and the Town of Brookhaven put together a group of both private development folks and members of the Planning Department and came up with a Red Tape Committee and actually issued a report on how to cut down red tape in the Planning Department of Brookhaven and they've issued that. It is exciting and Long Island builders have accepted it as a real model that we can take to other places to try and improve the approval process.

So with that, I'll hand it off to Chris to walk you through an example of this.

MR. CAPECE:

And just to kind of piggyback a little bit on what Matt was talking about. I mean, we've already seen it from a practical level where a casualty of kind of the red tape process here has been Pulte Homes. Pulte is one of the largest home builders on Long Island and they recently closed up shop in December. The Pulte hierarchy felt that they could invest their resources with more certainty and a greater degree of certainty on timing in other places in the country, and it's hundreds of millions of dollars of investment that is now no longer on Long Island.

With that, we're going to speak a little bit about the specific project at Charles Pond here which is the community that we have in construction right now. Just to give you an understanding of timing, in September of 2000 the developer at the time received their zoning approval, and we're going to fast forward to 2006 when AvalonBay had actually purchased the site from the land seller in June of 2006.

Upon purchasing the site, the town had made a commitment to expedite the approval process for the 200 units at Charles Pond. The 200 units consist of 100 one bedrooms and 100 two bedrooms, the exact type of housing stock that we often talk about helping to keep our young folks here on Long Island. But instead of the building permit being issued in the fourth quarter of 2006 as discussed, it not received until January of 2008, which, you know, was approximately a 15 to 16 month delay. And ultimately conditional site plan approval was received in '07 and final was received in 2008.

So what we wanted to talk about is well, where are those delays in the process and what do those ultimately translate into from a hard dollar amount, which is why we are being project specific here. You can get an understanding of what the real dollar amount is. And also, you know, what are some other areas where we can put those resources here in a hard way so we can figure out how -- how to more efficiently do it in the future.

So again, to start with the timeframes. Final apartment completion was originally scheduled for March of 2009; it is now currently scheduled for August of 2009. The purchase price for the land was \$18 million and if you talk, you know, a one year delay at 6% interest, which today I think you would have a hard time finding from a construction standpoint, you know, you are looking at an interest carry of a little over one million dollars and you can see what that extrapolates to. A one month delay basically equals an interest carry of \$186,000. So you can see what the three month delay does right off the bat at a little over half a mill.

So without getting into too much detail, what are some of the examples of delays at Charles Pond. Foundation permits delayed, utility pole relocation, pre-construction with DPW, just setting up the meetings themselves and being able to get in the room with the right people at the right time. Sewer approvals delayed, Department of Transportation approval final town road approval delayed, etcetera.

So what are the costs associated with some of these changes. Well, without going through each item line by line, you can get a fair understanding of what changes to the drawings as well as time delays do to the process.

And you can see the fourth item down there, a revision to State Road 25 on the approvals received was ultimately a change of a quarter of a million dollars, and that's not talking about interest carried. That's talking about consultant costs that were in addition to any interest carried.

So what's the ultimate dollar amount that was added to Charles Pond from beginning to end, and unanticipated costs. It was about \$2.1 million in interest carry and additional consulting fees. That is a real dollar amount. So what can we do with that type of money. Well, one thing that we've done in the past at Avalon Pines, which is in Coram, not too far from Charles Pond, it's off of Exit 63 of the LIE, about five miles north of the Expressway, is we build a park. It was inclusive of a couple of baseball diamonds, a soccer/football field, a wheelchair football field, and it was dedicated to the town once we built it back in 2006.

Enhancements to the community. I just completed a second phase of a community in Glen Cove where we'd worked very well with the administration there, actually through, and well before my time, three different administrations throughout the process. I've dealt with two. There is an interest in creating a gateway into Glen Cove there and we were part of that gateway on the way into the city. One of the improvements that we helped the city with was improvements to a parking lot over there, to clean it up and make it a little more pleasing at entry.

From an aesthetic standpoint. With that savings, with that financial savings, we can put stone on the buildings to create a different level of architecture that we don't often see here, especially in rental communities. So, you know, there are aesthetics that we can contribute to as well.

Landscaping. Obviously, just from curb appeal. If you can create a higher degree of landscaping, not only hard scapes, stone walls and signage and things of that nature, but also plantings, shade trees, etcetera. That's a place where we can -- we can get a lot of bang for our buck on investment. And bypass improvements. This is the site plan for Charles Pond and we created a bypass improvement here.

So with that said, you know, I think I'll let the picture speak for itself.

MR. WHALEN:

That slide wasn't supposed to make it into this presentation.

MR. CAPECE:

With all that said, you know, we go through a lengthy process on Long Island from zoning through site plan approval to begin with. It's an opportunity to create a degree of certainty with which we can go through Department of Health, DPW, and get through to site plan and building permit process here. And although the zoning process is typically -- doesn't have that greater degree of certainty, we feel there is an opportunity to maybe introduce some certainty in turnaround times here. So, I think with that, you know, I'm going to turn it back over to Matt.

MR. WHALEN:

Chris is going to be working late for the next few nights after this slide showing up here.

LEG. VILORIA-FISHER:

That was the best one.

MR. WHALEN:

It was, it was pretty good. The good story behind that, quickly though, is that when I gave that presentation to the Brookhaven Planning staff, my staff had put that slide in and I did not know, so when I was standing up there and clicked it and it came on, so it was actually pretty good, they got me.

I think Chris did, you know, as I mentioned at the start, Chris did a good job of getting into the detail of what all this means. I think there is a general tide change on Long Island and I am

encouraged by that. Sometimes the Vision Long Islands of the world and all these guys say I'm the pessimist because I'm always talking about okay, if we're making progress, how many housing units are we producing, how many housing units did we produce last year, how many did we produce next year. In 2009 the number is -- it's -- it is shocking. We may be a little over a thousand units produced on Long Island of a demographic close to three million. It's amazing. And if you looked at statistics from around the country, that is an amazing lack of supply. Now, a lot of people say, oh, Matt, it went down to that number because the economy is terrible and nobody is building. Well, yeah, that's a big part of it right now, but it wasn't always part of it. Two years ago, you know, things were caught up in the pipeline and things weren't moving. So, you know, people lose perspective.

In the 70's we built 25,000 housing units a year on Long Island. Now, I'm not sure that's the sustainable number or the right number, but it's not a thousand. So every chance that we have to talk to a body about this, you know, we encourage them to think about any process that they control and trying to lend any type of predictability. We're not -- we're not by any means promoting cutting corners or not doing the proper environmental review or proper engineering, but things don't need to take two or four or six or seven years to build.

Chris mentioned Avalon Pines and, you know, he I think went quickly through something that we are very proud of. I mean, we built a beautiful town park. It's a 50 acres town park. I love to drive up there now because we built a golf course next to it across the street, and I love to drive up there now and see how much -- how many people are actually using those facilities. It's really something that we felt was a great public benefit and it is something that gets lost in the process if we take too much time in moving these through.

I think that parallels with Chris's other point, which is I would like to propose to change the terminology on Long Island from development to investment. I think that that for this body that's talking about economic development, I think that's something that will help people understand that companies do have a choice where to invest and when developers are taking risks they are actually investing and they are creating jobs and creating economic impact. We thank you for the time this afternoon and we're happy to be here so thank you.

CHAIRMAN HORSLEY:

Thank you, gentlemen. That's good stuff. I think we need to hear those slap in the faces that government can do better and can make processes more streamlined. We started talking about this before and recognizing that we're in a recessionary period and the like. Is Avalon, you know, we saw Pulte pull out. Is AvalonBay, are they committed to Long Island? Where are you going in the future, whether or not we're getting better or worse on a regulatory processes.

MR. WHALEN:

It was funny because I got a call from the Newsday the day that story broke and said are you guys next. You know, I am the market officer for Long Island, I live on Long Island, so does Chris, so I hope we're not leaving. We have no intentions of stopping our investment on Long Island. I think the piece of it that is very true is the amount of investment is part of our company's choice. So when I go to my Board of Directors in the fall and I present a business plan and I say I need 500 million, I see I may need 200 million, they are going to look back at some of the things that we've experienced in the last five years, and they've not all been great. You know, we've had some development proposals that we felt were, you know, very credible, within the context of the community, had a lot of reasons why they should be developed and we were not successful.

So, you know, I think that there -- number one, we have no intentions of leaving Long Island. We are very committed to Long Island. And, you know, but I think that I always like to be realistic that in these times it's more important than ever that people recognize that companies do have choices, and I think that was the parallel that I tried to make with Pulte when I was asked from Newsday, because Pulte did make a decision to investment elsewhere. We may make a decision to invest elsewhere and less in Long Island. I think that's the risk.

So, you know, it's something that I try to keep on the front burner because I do think we are at, this recession I actually think helped that tide change. I think that there was a tide change, but with the economy and things going well I don't think it got pushed enough to the edge where people understood the real economic benefit of the real estate industry.

CHAIRMAN HORSLEY:

So this is our wake up call. Let me ask you, Matt, and then I am going to turn -- I know my colleagues want to ask you a couple of questions. We have a severe problem with waste water management, sewage in Suffolk County. Seventy percent is not sewered; it's a huge problem and it is going to cause huge dollars to rectify. Do you have any advise for us? I mean, are public/private partnerships the answer? How do we move the ball forward? Yeah, we're looking at stimulus monies, but however -- do you have any thoughts on this?

MR. WHALEN:

I do. I think it's a great question and I think that, you know, from a Long Island Builders Institute standpoint we have had a, you know, a very, I think consistent message on the issue of sewage infrastructure in Suffolk, which is, you know, it is, you know, the most vital piece that we need to put together. I think that from other areas of the country I think that Long Island has possibly not grasped the idea that this does not need to be public expenditure always to improve the sewer infrastructure. If you place proper density in the right places and you attach it to an infrastructure that makes sense and is efficient to built, those infrastructure improvements would be paid and are very typically paid by the private development community.

CHAIRMAN HORSLEY:

Instead of a ball field we may get a sewer plant.

MR. WHALEN:

But if you can do it in a predictable timeframe you might get both. And, you know, density you could get me way off on a tangent if we started to talk about density, because I think that's something that people misunderstand. When they think, you know, ten units the acre, 15 units the acre, that it's, you know, it's urban. I mean, New York City is 500 units the acre. That's not what we are talking about. You know, 25 units the acre is perfectly two story, three story stuff, and is attractive. And Chris showed you some pictures of Charles Pond which was in here somewhere. You know, I'll show you one picture quickly. You know, that's 20 units the acres. So that's the kind of density that would allow private developers to contribute to the infrastructure improvement. And I know there is a lot of talk about that. I think that that is the way to go because I think you can change people's fear of that when they don't think it is going to raise their taxes for them to pay for that infrastructure improvement.

CHAIRMAN HORSLEY:

If I can in any way work, whether it's the Builders Institute or, you know, through the office of whatever to move that ball in a public way I'd be more than happy to entertain that and work with you guys and I'm sure the members of this committee would feel the same way. So we're game if you're game.

MR. WHALEN:

I'll take you up on that, I will.

CHAIRMAN HORSLEY:

Excellent. That's good stuff. I have a couple of more questions but I am going to leg Legislator Stern and then Legislator Viloría-Fisher ask questions first.

LEG. STERN:

Thank you, Mr. Chairman. You know, when you take a look at the actual numbers in a specific situation in a case study and then you can see all of the good that could have been produced but for

that ongoing cost due to delay it's very compelling.

The question that I always ask is why. You took us through a brief history of this particular project and the various states, but in your opinion, why? What was the cause of all of those delays? Was it the different levels of government? Was it the underlying substance of the information that was required? Was it just culture in the departments? Was it the lack of personnel? What do you find as being the stickiest part of the red tape?

MR. WHALEN:

I'm going to give Chris a little chance to get in on some of these, but since I was actually personally handling this at the later stages because I got so frustrated with it that I decided to go and sit in all the meetings that were associated with these approvals. It was not that complicated a development. And we -- one of the things we didn't mention about the site, it's a 40 acre site, we dedicated 20 acres to open space. We dedicated 20 acres to open space, we built a million dollar bypass road, we did state road improvements. And that's when Chris said in one of the slides that the town agreed to expedite this. That's because when I sat in the room at the earlier stages and said if I do all these things will we be in the ground by the end of year. They said yes. I never had a contract, so in hindsight we wound up doing more infrastructure and public benefits than economically we could have afforded.

I do think that there are an incredible amount of layers in the approval process in Long Island, but I think that when the Town of Brookhaven took the time to go through a Red Tape Committee and really study the process, because if you went to any of your agencies that are County agencies right now and said the development community says there is no process. They'd say sure there is. They'd produce something that's a process and then an argument would ensue. But if you don't attach timeframes to it where people are actually compelled -- I come in with an application. Within 7 days or 14 days somebody says it's complete or it's not complete. Because the fingers can't just get pointed from this discretion. They need to get pointed back at the development community and that's something that I brought to Brookhaven and said listen guys, I'm not saying the development community is absent of responsibility. They need to come in with complete applications with the right information so the towns and the jurisdictions can review the information properly. Developers, you know, they make mistakes and they don't come in with the right information. But the clock just starts again. And we're fine with that. If we made a mistake on application, then the clock starts again.

Attaching predictable timeframes was the one threshold decision at that committee level that I pushed and pushed and pushed because everybody in the room was saying you can't have them, you can't do it, you can't do it, you can't do it. Yes, you can. I've been in other jurisdictions that have that and it's just a process that lets the developer know that in 30 days I'm going to get a response with comments. And, by the way, those comments are going to be all encompassing, you know, not comments and then resubmit and more comments and resubmit and more comments. Because that, Steve, I would say is probably the one piece of it that happens again and again, which is resubmittal upon resubmittal upon resubmittal. So when somebody says they found something else, it's usually a legitimate comment so the developer has a tough time saying I'm not going to address that comment, but if somebody who is reading the drawings says I got one bite at the apple and I better make sure that I do a thorough review, then the process can get simplified. So hopefully that answered the question.

LEG. STERN:

Do you find that in other jurisdictions where you've had experience that the average time is this 30 days? It is longer? Thirty days, do you find that to be a reasonable amount of time, and is that something that could be adopted in our area?

MR. WHALEN:

Well, I think that, you know, what the -- what Connie's committee put together was actually a very complicated matrix that was, you know, not every timeframe needs to be 30 days, and the

complexity, the development should drive the review process. You know, if it is somebody coming in with two houses and it is a pretty simple application it should be able to move through. The larger, substantial developments, it might be 75 days. But 75 days is fine; there's nothing wrong with 75 days. I would agree to that. When I was talking to the Planning Department about this they thought I was going to stick on this 30 days or the 60 days. It can be 90, frankly, you know, but it's just being committed to a timeframe. And is a 90 doable? Absolutely, you know, if you put the right resources on it and you focus on it I think it's not unrealistic. I think we just -- I think we proved that. The Red Tape Committee report was written by the town, it wasn't written by us. We gave them feedback and we're really thrilled with them agreeing with some of the things that, you know, we came up with.

LEG. STERN:

Thanks.

CHAIRMAN HORSLEY:

Legislator Viloría-Fisher.

LEG. VILORIA-FISHER:

Thank you, Mr. Chair. Thank you very much for being here. Matt, I remember you were doing a presentation with the Affordable Housing Commission when I was a member of that group. At the end of your presentation, and again, it was another beautiful project that you were working on, and I spoke with you regarding a program vis-a-vis affordable housing or workforce housing and that there had been a commitment among the towns in coordination with the County that if a developer committed to putting X percentage of workforce housing that there would be a fast track. And you said you would look into that. Can you tell me if you had any experience with that and if that helped?

MR. WHALEN:

I think it was a great program, that one that was put into place. I don't think enough projects went through it, frankly.

LEG. VILORIA-FISHER:

And why not? And that's what we were talking about then, why not?

MR. WHALEN:

Take Charles Pond, for instance. Charles Pond was -- went through a lawsuit and we brought that when the zoning was in place. So it was 200 market rate condominiums or rentals. So the developer that was there prior to us did not have an affordable requirement. I was asked when I bought can you do an affordable. Well, it wasn't required. It's a little unfair to just, you know, impose that. Now, could we have built 260 units and done 20% affordable or 15% affordable? Yes, I mean, that's the right formula to go at this. I think that fast tracking -- well, let me step back. Affordable percentages on developments is important to understand, which is I'm not a proponent of 100% affordable developments. I don't think they are sustainable. I don't think it is the right percentage.

LEG. VILORIA-FISHER:

And I don't think it's the right model, either.

MR. WHALEN:

Right.

LEG. VILORIA-FISHER:

I believe that there should be a mix.

MR. WHALEN:

So, you know, the 80-20 mix has been a very successful mix around the country, and I think that I

am going to run out of here because I am meeting with Supervisor Petrone on an 80-20 proposal that we have in Huntington Station. It's a large development and I hope you guys hear about it soon. It's 530 units --

CHAIRMAN HORSLEY:

So you are building on Long Island.

MR. WHALEN:

We are trying. So I'm going to tell you in 20 minutes if I'm doing okay.

LEG. VILORIA-FISHER:

Didn't you get a Vision Long Island award last year? Wasn't I there at that lunch?

MR. WHALEN:

That was a different development, but the Huntington Station one is a new one that we're proposing.

LEG. VILORIA-FISHER:

See, I'm just bragging for you. You didn't mention it.

MR. WHALEN:

Yeah, well, frankly we wish we got more built. I mean, we've had as many go down in defeat in the last few years as we have moved through. When Wayne asked me about our opinion of the Island, when I sit in front of my Board of Directors that's what they ask me. They say he, what --

LEG. VILORIA-FISHER:

Well, you have that Oyster Bay one you have been fighting forever.

MR. WHALEN:

Oyster Bay and Plainview and St. Paul's. There's three very recent ones that were successful. But back to the original question. The fast tracking of affordable communities is something that the private development community thinks is a great thing and absolutely supports and I think that it motivates the development community to do an affordable percentage.

LEG. VILORIA-FISHER:

Right, that's the idea.

MR. WHALEN:

Remember that the fast tracking in my mind is not the only thing that will make the affordable component work. The added density required to met the affordable -- which, you know, Peter Elkowitz will tell you yes, I agree with that. You know, added density to get to that affordable component is an important piece.

LEG. VILORIA-FISHER:

Okay. When you did the Red Tape report, when the Town of Brookhaven did that, was it because they were able to coordinate among their different departments? I'm thinking about the complaint that I generally get from small economic development as well as large, is the Health Department permits. I recently got a call by someone who was opening up a veterinary office and he was told it would take 19 months and he would have had to abandon the project. He had to take an equity loan on his home to go forward with this. He wouldn't have been able to pay rent for all that time. If we were to have the kind of commitment of time -- a timeframe that you described with the Brookhaven Town Planning Department did, it would have to be then a coordinated effort between DPW and Health; is that correct?

MR. WHALEN:

It's a great question. The red tape committee met for a number of months. The first three months we sat on opposite sides of the table. Month four some people started trading sides, and by the last

meeting everybody was sitting around the table. What happened was the Planning Department got less intimidated by the idea of a predictable process and actually realized it would make their life simpler. And so I think getting at the agencies and convincing -- I mean, Steve asked about the culture. I mean, that is very much an issue with this. And so you have to approach it where you can actually make this a win-win for both sides, where they understand that the predictable process is something that, you know, will also avoid them getting the calls about somebody who just got a report that this is going to take 19 months because you guys should spend your time doing something else than, you know --

LEG. VILORIA-FISHER:

And if they are not getting resubmission after resubmission it's not taking as much staff time. If they look at it once and say everything that's wrong with it at one time, then --

MR. WHALEN:

I mean, one of the threshold things that happened at the red Tape Committee was they understood when I talked to them about I would get seven different department letters from the Town of Brookhaven separately by fax or mail, and they conflicted with one another. So one said put a road out the back. The other said close the road out the back; put a road out the front. The other said put the drainage in the back of the site; put the drainage in the front of the site. So what am I supposed to do? So that agency coordination internally I think was agreed that that needs to happen within the 30, 60, 90 day, so when it comes out it is a coordinated set of comments. So there is coordination that obviously needs to happen between DPW and the Health Department. I think that would be a good place to start.

LEG. VILORIA-FISHER:

Okay. Thanks a lot for being here, Matt.

MR. WHALEN:

Thank you.

CHAIRMAN HORSLEY:

Matt, just a quick question. Governments, Suffolk County government, and I am assuming some of the towns as well, we'll be receiving stimulus monies. What do you recommend that we -- how we process those stimulus monies to make sure that we have a fast track and actually get some shovels in the ground?

MR. WHALEN:

Well, I know there are some, you know, there is a bunch of lists going around. I know everybody sort of has their own list.

CHAIRMAN HORSLEY:

Yeah, I've got one too for sewers. I don't know where the heck it went.

MR. WHALEN:

You know, I would love to see some of the sewer stuff get some focus. I know some of the road improvements are very important and shovel ready which is important. The one piece that I think has been overlooked in the stimulus money is doing infrastructure requirements or improvements to encourage transit orientated development. Meaning, in Suffolk County -- not every train station needs to be a hub of development, but there are some great train stations, Ronkonkoma or some of these larger train stations that there are plans out there, you know, for redevelopment of these train stations. If someone had some stimulus money to build a parking garage, what happens when you build a parking garage, it frees up all the land next to it and makes it a development opportunity. So there is a model there for that, that would actually have so many more benefits. People actually in a garage enjoy being that much closer to the train, and then the rest of the site can be used for development. I would like to see some of it get headed in that direction.

CHAIRMAN HORSLEY:

Frankly, we've been pushing for that in Babylon Township with Farmingdale, where the old Farmingdale -- where the old Fairchild property is that the MTA owns. It's perfect and ideal for it and it's a disaster right now. That's good talk.

And lastly, what would you recommend for this County to do to speed their processes. You know, you've been dealing with DPW and Health. Do you have any recommendations right now today, you know, that they could do, to look at, that would improve our processes?

MR. WHALEN:

Well, one of the things that I committed to do for the Town of Brookhaven in my role as President of Long Island Builders, was to take the Red Tape Committee report and meet with the Suffolk County agencies and with New York State DOT. So you could do me a huge favor, which is to open that door up in a way of telling the agencies that this is something that is of interest to the County to look into and let the -- let the development community go and visit with them and show them what we've accomplished in the town and see if that's the right model. If it's not, create a different one.

CHAIRMAN HORSLEY:

That sounds doable. I don't know if they will listen, but I think they generally do. They certainly listen to this Legislature so I think it's a good start. I like it. You'll contact me when you are ready to have the door opened?

MR. WHALEN:

Absolutely.

CHAIRMAN HORSLEY:

Legislator Kennedy.

LEG. KENNEDY:

Thank you. You kind of hit on where I wanted to go with some of the questioning, particularly with the Sewer Agency approval and the Health Department approval. As you are going through your approval process, much of it really is at a town or a village level, with our Health Department and our Public Works Sewer Agency plugged in somewhere in the middle there. You don't get ultimate approvals at a town or a village level absent Health Department approval and/or Public Works approval. When you look at this timeline that you put out there, which clearly is far too long, and the cost of money as you said is how you factor a project in the first instance, what's your experience been? Do you get somebody assigned to you out of Public Works or is it just a plan that gets submitted? I mean, I can think of three names that I know in the back of my head that do sewer plan review out there.

MR. WHALEN:

I think we do have a point representative particularly with the agency so I think that works okay. I think one of the things that I didn't mention before which drives me crazy in this process is sometimes when I am dealing with a town they'll me well, don't worry about our comments because the Health Department's not going to get back to you for months. So now what am I supposed to say. So, you know, we should change that dynamic. I think the point people do exist and I think that's in place, and now the next step is to try and maybe change that culture as we discussed to show a road map to do it in a more predictable way.

LEG. KENNEDY:

When you or investors or whatever look at business opportunities and you look at Long Island in total, are there towns that you factor in that it will be easier for you to get through the approval process and towns that you say I'm just never going to get through it?

CHAIRMAN HORSLEY:

Are you looking for a list?

LEG. KENNEDY:

Not so much that I'm looking for a list, but I'm wondering, each and every one of us come from A or multiple towns, and as much as we talk about what we can do here, it's naive to not think in a dialogue we have to have at the level that's got the biggest amount of approval.

MR. WHALEN:

One of the things that I think has been missing on Long Island for a long time, and maybe forever from a land use perspective, is pulling developers. Meaning, developers always come in, they have a plan, they throw it on the table, it gets pulled apart, it gets negotiated, as opposed to the leaders in that jurisdiction saying you know what, I want some growth here. I want to redevelop here, and I'm going to get control of it and I'm going to zone it. I'm going to go ahead and zone it now and promote developers -- do it on their own motion, and that's going to be my motion to run out of here so I can go convince Frank that he should do this because he's pulling the development into his

--

LEG. KENNEDY:

By the way, we want that Ronkonkoma hub. The MTA, if they can get their stuff together, will do it. And the planning is halfway there.

MR. WHALEN:

I've heard that and I've actually am getting somewhat involved with {Helena} and, you know, some others. I think it is a fantastic opportunity, fantastic opportunity. So I'm going to, if you guys --

CHAIRMAN HORSLEY:

By the way, Legislator Fisher --

LEG. VILORIA-FISHER:

As you are walking out I'll just say something because that was a very good idea. You know, we have had the environmental groups give us their vision of where we should be saving, and if LIBI and other development groups can say well, you talk the talk about smart growth, this is where we say -- and then maybe we can overlap those two because, you know, I've been saying for a long time we should develop where it makes sense and we should protect where it makes sense. So it would be great to have that overlay from the developers.

MR. WHALEN:

I agree. And I think the planning council, the Regional Planning Council I think is well on it's way to looking at that and they had a couple of charrettes already which I participated in. I thought it was very interesting. I think Michael White is doing a great job of trying to get people to say okay, where should we put these cubes and develop them. With that, I'm going to run out.

CHAIRMAN HORSLEY:

My best to Frank and you answered John's question very well, by the way. I'm impressed. You belong on this side of the table, too.

MR. WHALEN:

My dad was, but not me, so thanks. Thank you very much.

CHAIRMAN HORSLEY:

I'll see you later, guys. Thank you very much. We do appreciate you being here today.

All right. I didn't get any cards did I? There you go. All right. We'll move to the agenda. The first Introductory Resolution I have is 2151.

Introductory Resolutions

1251, Adopting Local Law No. 2009, A Local Law setting lease terms pertaining to leases of real property acquired for airport use. (Co. Exec.)

We have a public hearing to be had on this.

LEG. STERN:

Motion to table.

CHAIRMAN HORSLEY:

Motion by Legislator Stern to table it. I'll second the motion. All in favor? Opposed? So moved.
(Vote: 4-0-0-1 Not Present: Legislator Alden).

1258, Amending the 2009 Capital Budget and Program and appropriating funds in connection with security notification - College wide (CP 2140). (Co. Exec.)

LEG. KENNEDY:

Motion

LEG. VILORIA-FISHER:

I have a question about this. I'll second the motion.

CHAIRMAN HORSLEY:

Sure. Legislator Kennedy makes the motion, Legislator Fisher seconds it. We have a question on the motion. Would someone from the college like to come on up?

LEG. VILORIA-FISHER:

Hi.

AUDIENCE MEMBER:

Hello.

LEG. VILORIA-FISHER:

Right after the Virginia Tech massacre or murders we put something in the budget for this, didn't we at that time?

AUDIENCE MEMBER:

Yes, this is part of that initiative, part of an overall capital project.

LEG. VILORIA-FISHER:

So It wasn't all done at once? It was divided up into --

AUDIENCE MEMBER:

In the adopted budget, yes.

LEG. VILORIA-FISHER:

Okay. So this is part of the same program.

AUDIENCE MEMBER:

Yes, it is.

LEG. VILORIA-FISHER:

Okay. Thank you. That was the question.

AUDIENCE MEMBER:

Sure.

CHAIRMAN HORSLEY:

Any further questions? Any further motions? If that being the case, we have a motion to approve. Call on the motion, all those in favor? Opposed? So moved. **(Vote: 4-0-0-1 Not Present: Legislator Alden).**

1261, Authorizing the County Executive to enter into a Memorandum of Understanding with the Towns of Riverhead, Babylon and Southampton for the Administration of the Suffolk County Empire Zone. (Co. Exec.) I'll make a motion to approve.

LEG. STERN:

Second.

CHAIRMAN HORSLEY:

Second by Legislator Stern. Any there any questions on this motion?

LEG. KENNEDY:

Yes, Mr. Chair.

CHAIRMAN HORSLEY:

Sure.

LEG. KENNEDY:

As a matter of fact, I looked at it briefly and it made reference to an attached MOU. I don't have that attachment. I'm just curious as to how the plan is actually administered in the three towns. Is it similar to what we wind up doing when we consider projects in the other areas. Do we have anybody from the department?

CHAIRMAN HORSLEY:

If not --

MR. ANASTASI:

I can answer that. Nick Anastasi, the Assistant to the Commissioner. How are you? Basically the towns -- we're currently operating under an older agreement that is, for lack of a better way of putting it, dysfunctional. So what happens is the three towns that are involved plus the County and what was the State would all put in funding for the administration of the zone. That would largely pay for the salary of the zone coordinator and marketing efforts of the zone. So for argument's sake the County puts in a certain amount, Riverhead puts in a certain amount, the Town of Babylon puts in a certain amount, as does Southampton. That money is pooled together and then is budgeted accordingly.

CHAIRMAN HORSLEY:

And, Nick, it's based on the geographic size of what the proportion of the Empire Zone that is in each one of those towns? Like, say Babylon has got just a little straight path of area, Southampton and so it's lesser.

MR. ANASTASI:

Right. Yes.

LEG. KENNEDY:

Which is fine if we are prorating what the expense associated with the operation of the district is County-wide. But we are not yielding the decision making as far as participation in these three towns by virtue of this MOU, are we? In other words, when we consider projects from Babylon they come before us for inclusion in the Empire Zone irrespective of an MOU.

MR. ANASTASI:

That would be for what has come before this board, which would be regionally significant projects. The towns that are contributing to this fund actually have what is referred to as zone proper or blobs of Empire Zone overlay. Projects that are approved in those areas do not come before the Legislature.

CHAIRMAN HORSLEY:

I know that the financial matter was where the bone of contention was. I know one of the towns was holding out their monies until they felt that they got fair share and whatever the reasons may be.

LEG. KENNEDY:

Do they adhere to the same stands, thought, that we look at as far as particularly when it comes to prevailing wage or approved apprenticeship language?

CHAIRMAN HORSLEY:

Yes.

LEG. KENNEDY:

Nick, is that the case as far as those subsidiaries?

MR. ANASTASI:

Largely. So far with the zone it's -- the overwhelming amount of acreage is in Riverhead at the former Grumman Complex. The companies that moved in there so far have largely been, overwhelmingly been, moving into former facilities. The most development there was for Riverhead Building Supply which did abide by all of our rules and regulations.

LEG. KENNEDY:

So they did interior build-out? It was done basically with --

MR. ANASTASI:

Yup.

LEG. KENNEDY:

Okay. Fine.

MR. ANASTASI:

And they have to submit -- all of the companies that are part of the zone program have to submit what is referred to as a business annual report which let's us know the information as to what they were doing, the doing jobs created, what kind of investments they made, and then that information is then sent up to the State for further review.

LEG. KENNEDY:

So ultimately you are a contact here or a conduit in the middle before it goes to the State level?

MR. ANASTASI:

Yes.

LEG. KENNEDY:

Okay. All right. Then seems like all of the issues that are important to us are being addressed. Fine. Thank you.

CHAIRMAN HORSLEY:

All right. Well, we have a motion to approve on 1261. All those in favor? Opposed? So moved. **(Vote: 4-0-0-1 Not Present: Legislator Alden).**

1272, Authorizing use of property at Gabreski Airport by the United States Army. (Co.

Exec.)

I'll make a motion to approve.

LEG. STERN:

Second.

CHAIRMAN HORSLEY:

Second by Legislator Stern. Are there any questions on this motion? Everyone good? All those in favor? Opposed? So moved. It has been approved. **(Vote: 4-0-0-1 Not Present: Legislator Alden).**

1275, Accepting and appropriating an amendment to the College Budget for a grant award extension from the Suffolk County Community College Foundation, Inc., for a Raytheon/General Motors Training Program 100% reimbursed by private funds at Suffolk County Community College. (Co. Exec.)

LEG. VILORIA-FISHER:

Take the money.

CHAIRMAN HORSLEY:

Take the money. I assume that's a motion to approve.

LEG. VILORIA-FISHER:

And place on the consent calendar. Seconded by Legislator Stern. All those in favor? Opposed? So moved. Take the money. That's what I guess the message is. **(Vote: 4-0-0-1 Not Present: Legislator Alden).**

1276, Accepting and appropriating an amendment to the College Budget for a grant award from the United States Department of Education for a Student Support Services (TRIO) Program 96% reimbursed by Federal funds at Suffolk County Community College. (Co. Exec.)

Does 96% qualify for consent?

MR. NOLAN:

We almost always only do it for 100%, but it is within the rights of the committee. If they want to put it on the consent calendar they may, and if a Legislator objects it will come off.

CHAIRMAN HORSLEY:

Okay. So are you guys okay with 96%

LEG. KENNEDY:

Do it.

CHAIRMAN HORSLEY:

Okay. Motion to approve and also adding it to the consent calendar. Seconded by Legislator Kennedy. All those in favor? Opposed? So moved. It has been approved and placed on the consent calendar. **(Vote: 4-0-0-1 Not Present: Legislator Alden).**

Tabled Subject to Call -- that's it? Ignore it? Excellent. All right. Motion to close by Legislator Stern and seconded by Legislator Viloria-Fisher. Seconded by all of us. All in favor? Opposed? So moved. We're adjourned.

(THE MEETING WAS ADJOURNED AT 3:07 P.M.)

{ } Denotes being spelled phonetically