

**ECONOMIC DEVELOPMENT COMMITTEE**  
**GOVERNMENT OPERATIONS, PERSONNEL, INFORMATION TECHNOLOGY & HOUSING**  
**COMMITTEE**  
**OF THE**  
**SUFFOLK COUNTY LEGISLATURE**

**Minutes**

A special joint meeting of the Economic Development Committee and the Government Operations, Personnel, Information Technology & Housing Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on May 17, 2016 to discuss the Capital Budget.

**MEMBERS PRESENT:**

Leg. William Lindsay III, Chair of the Economic Development Committee/Vice Chair of the Government Operations, Personnel, Information Technology & Housing Committee  
Leg. Robert Calarco, Chair of the Government Operations, Personnel, Information Technology & Housing Committee  
Leg. Kevin J. McCaffrey, member of the Government Operations, Personnel, Information Technology & Housing Committee  
Leg. Leslie Kennedy, member of the Government Operations, Personnel, Information Technology & Housing Committee/member of the Economic Development Committee

**ALSO IN ATTENDANCE:**

Leg. Thomas Muratore, 4th Legislative District  
Leg. Robert Trotta, 13th Legislative District  
Leg. Sarah S. Anker, 6th Legislative District  
Leg. Al Krupski, 1st Legislative District  
Leg. Bridget Fleming, 2nd Legislative District  
Mayor Paul Pontieri, Patchogue  
Robert Lipp, Director/Budget Review Office  
Rosalind Gazes, Budget Review Office  
Laura Halloran, Budget Review Office  
Vincent Mezzanotte, Commission/IT  
Jason Smagin, Acting Director/Real Estate  
Amy Keyes, Deputy Commissioner/Economic Development  
Louis Bekofsky, Deputy Commissioner/Economic Development & Planning  
Theresa Ward, Chief Deputy Commissioner/Economic Development

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**ALSO IN ATTENDANCE:**

Linda Norris  
Anthony Albanese  
Elizabeth Lunde  
Paul Fink  
Gregory Ferraris  
Jim Morgo  
Diane Burke  
James Britz  
Allan Handelman  
Peter Florey  
Alison Karppi  
Mayor Paul Pontieri  
Alexandra Giorgos

**MINUTES TAKEN BY:**

Diana Flesher, Court Stenographer

(THE MEETING WAS CALLED TO ORDER AT 1:04 PM)

**GOVERNMENT OPERATIONS, PERSONNEL, INFORMATION TECHNOLOGY & HOUSING**

**CO-CHAIR CALARCO:**

Okay, good afternoon everyone and welcome to the joint Capital Budget public hearing for Government Operations and Economic Development. If we can all please rise for the Pledge of Allegiance led by Legislator Anker.

**SALUTATION**

**PUBLIC PORTION**

Okay, we're going to get started. We have a number of cards and speakers. I'm joined with Legislator Lindsay who will be co-chairing the meeting with me today. We'll start with our first speaker, it's Linda Norris. Linda?

**MS. NORRIS:**

The green light's on, yes. Good afternoon everyone. My name is Linda Norris. And I'm here on behalf of Town of East Hampton Office of Housing and Community Development. I'm here specifically to support the inclusion of the workforce housing funding in the 2017 Capital Budget and in the 2017 to '19 Capital Program, specifically the County Executive's Capital Program proposal for 6411, which is the infrastructure and the 8704, which is the land.

The Town is a member of the Suffolk County Community Development Consortium and the Town and the County through various administrations have a really long history of working together to achieve homeownership and rental housing in the market on the East End of Long Island. And there's no shortage of studies indicating the need for both rental and ownership housing on Long Island. The East Hampton Town recently completed a Community Housing Plan and has demonstrated that the need is even more acute in the Township of Long Island, although it is needed island-wide.

So I'm just here to ask the Legislature to continue its funding of these critical programs so the past successes can be built upon moving forward. And I just want to thank you for allowing me to speak here today. Thank you.

**CO-CHAIR CALARCO:**

Thank you, Miss Norris. Anybody have any questions for Miss Norris? Our next speaker is Anthony Albanese.

**MR. ALBANESE:**

Good afternoon. My name is Anthony Albanese. I'm with the Albanese Development Corporation. We're the master developers for Wyandanch Rising.

I'm here today to speak in support of the continued funding of the Workforce Housing Infrastructure Capital Program designated as Capital Program 6411. These funds perform a critical role in providing housing opportunities that are affordable to a diverse range of household incomes, a role that goes far beyond specific dollar amount that is allocated to a specific project.

I've been intimately involved with the implementation of the goals of Wyandanch Rising and want to use the experience of the first mixed-use, mixed-income building, 40 Station Drive, to provide an example of how important the infrastructure funds are in that project. The Legislature allocated 1.7 million of infrastructure funds for the project. While that is not an insignificant amount relative to

the program funding, it represented just over 4% of the overall 39 million project costs. However, the funds were extremely important in that they leveraged over 19 million of tax credit equity in New York State capital funds.

40 Station Drive was accepted as a 9% tax credit project by the New York State Housing and Community Renewal Agency. It is important to understand that the 9% program is a highly competitive statewide program. Many more projects are submitted than can be funded. One of the critical measures that the State judges is the commitment of local government financial support for the project. Without the support of the County Legislature in the form of the Workforce Housing Infrastructure Program, the project would very likely not have been approved.

The leverage factor was eleven to one, which is a very impressive return on the County's investment. Another critical benefit of the infrastructure funds is that the income limits for the program provide housing opportunities for more diverse higher household income level than the tax credit programs. This enables the development of diverse communities and provides an important tool in retention of our young people on Long Island.

Finally, the Legislature has been very supportive of projects that seek to develop along smart growth principles with creation and mixed-use downtowns that lower dependents on the automobile, relieve congestion and foster creative, exciting neighborhoods, which are also key in making Suffolk County attractive to young professionals. This project, however -- projects like this require additional infrastructure investment and provision and distribution of utilities, interior roadways and parking; again, program 6411 provides funds to share the burden of those costs. Therefore, I urge the continued funding of the Workforce Infrastructure Program as it is an important tool in creating a new paradigm of diverse, mixed-use, exciting downtowns for the 21st Century. Thank you.

**CO-CHAIR CALARCO:**

Thank you. Does anybody have any questions for Mr. Albanese?

**LEG. TROTТА:**

Yes, I do.

**CO-CHAIR CALARCO:**

Go ahead, Legislator Trotta.

**LEG. TROTТА:**

How's the commercial rental going over there?

**MR. ALBANESE:**

Good. So that's an aspect of the project that I'm intimately involved in. We have about 25% of the retail leased up in the overall 35,000 square feet that we have in the first days of this -- this downtown.

**LEG. TROTТА:**

What's in there?

**MR. ALBANESE:**

We have a -- two restaurants. We have a cell phone operator. We have a 4500 square foot general store selling, you know, wide variety of household items.

**LEG. TROTТА:**

What's the name of the store?

**MR. ALBANESE:**

It's K & B Department Store.

**LEG. TROTTA:**

And what are the restaurants?

**MR. ALBANESE:**

The restaurants, we have Anthony's Pizza, that's an existing operator in Deer Park and -- but he goes by the name of Richard's Pizza on the corner of Commack Road and Long Island Avenue. And he's opening up a second location here in Wyandanch. And then we have a Dominos Pizza, the new pizza theatre concept they call it, which has sit down --

**LEG. TROTTA:**

Two pizza places in there?

**MR. ALBANESE:**

Well, they're in opposite buildings, opposite sides of the complex and they offer different types of food options.

**LEG. TROTTA:**

Is it all finished now? You're talking 25% of what's complete?

**MR. ALBANESE:**

The first phase, these two buildings are complete. The first stores are opening -- Dominos and K & B, they're opening within the next month. We have Anthony's Pizza which is going to be opening in August, we anticipate. And the cell phone store, it's a Cricket Wireless that we expect to open in probably August as well.

**LEG. TROTTA:**

How many square feet is the K & B?

**MR. ALBANESE:**

It's 4500 square feet.

**LEG. TROTTA:**

Thanks.

**CO-CHAIR CALARCO:**

Okay. Thank you very much, Mr. Albanese. I see that we have Mayor Pontieri in the audience with us. We try to give deference to our elected officials. Mayor Pontieri, if you want to come on up.

**MAYOR PONTIERI:**

I think I've been here a couple of times. How are you? You know, when you listen to the discussion about affordable housing, affordable housing is much larger than just housing for, you know, the millennials to stay here on the Island. We all talk about downtown redevelopment; we talk about community redevelopment. Affordable housing is a very critical piece of that.

If you take a look at what Patchogue is today and where it was in 2004, that 3.75 million that was given for Copper Beach, which was 50% affordable, was the spurring -- the thing that spurred to Patchogue to where it is today. The fact that the County made a decision to support that project and to allow it to move forward the way it did created the impetus for the next piece of it, which was Art Space, which was another 3.75, which is 100% affordable. It began to change the dynamics of our downtown. It created that dynamic of people on the street. So affordable housing just isn't

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about keeping millennials here on Long Island; it's about putting them into places where they want to be. And it's about taking care of the whole community.

We just finished -- I'm going to hand something out to review it later, that in the Village of Patchogue between the ages of 25 and 54 is 48.8% of the population. Mr. Calarco is one of those. Legislator Calarco. You take from 54 down to school-age, it's 78.8%. And that's a dynamic change from where we were. And that has to do with the funding that the County gave us initially to start the process. When I took office, we were over 50% vacant by square footage. And the County had us at 22% vacant by storefront. We're under 10% vacant by square footage and about 6% vacant by storefront. And those storefronts, if you look at each one of them, pretty much have a zoning or a planning thing in them that says they have a planning or zoning board hearing coming up.

So your funding is a much bigger piece than just housing. It is what economic development is about. It's an economic development program. It's not an affordable housing program. It's economic and downtown redevelopment. You know, the Village of Lindenhurst has a project going up. And the goal of that project is to put people on their Main Street to create energy, to create a dynamic downtown. Everybody -- the complaint I get continually from the residents, why don't we have more retail downtown? Well, everybody (timer sounded) -- was that me to stop?

### **CO-CHAIR CALARCO:**

Do you have anything else you want, Mayor Pontieri?

### **MAYOR PONTIERI:**

Just real quick. Eighty percent of people now use the internet to purchase things. And you got malls. Downtowns have become entertainment and not retail centers anymore. It's about entertainment; it's about those kinds of things. Affordable housing and the funding that you put in place makes that happen. Since 2004 we've had \$450 million worth of construction in the Village of Patchogue and it started with a \$20 million project, with 3.75 million from this austere body that sits before me. That \$450 million wouldn't have happened the way it did without the seed money. You elect the muster seed. That little bit that created what you see today. And we have 150 affordable units. We have a population of young families that are in the community. And we've gotten, like I said, over \$450 million worth of construction and \$50 million worth of grants because it happened right here. So don't just -- don't look back and say how are we going to get the money, what are we going to do with it? If you put the money together, you'll see things happen. Allow those communities that have those ideas to make them happen.

This is a brochure that we put together that talks about -- and we do it every four years. Rob, you got one stuck in your mailbox. And it talks about who we are, what we've done. The picture you see on the front, just a little explanation to it, it's fireworks, we call it midnight on Main. We do it 9:00 New Year's Eve because we get the young families out. And we do it in the plaza across the street from the theatre. And it's about -- what amazed me is when we did it, I'm looking around, there had to be 4,000 people there, 2500 of them were about that tall (indicating). So it is about families. It's about community. It's about making the community that you want it to be. And every once in a while we do things in our own divine self-interest. A lot less gray-haired people in Patchogue. My hope is someone's going to invest in one of the affordable housing projects that you guys fund, when I decide to sell my house, invested their time in the community and they want to stay in a community and they'll buy my house so I can move into one of the other units that are in the Village.

Thank you. Any questions? Any?

### **CO-CHAIR CALARCO:**

Anybody have any questions? Mayor Pontieri, thank you very much. And I think you brought up an

important point, which is while the rest of the Island is graying and tends to be getting older in population, Patchogue Village is getting younger.

**MAYOR PONTIERI :**

Really are. But thank you very -- and, you know, a backwards thank you for all that you've done for the Village over the years, because it has been a dynamic change based on what happens at this board right here. Appreciate it. Thank you.

**LEG. McCAFFREY:**

Let's not be in a rush to throw the gray-haired people out either.

**CO-CHAIR CALARCO:**

Don't go anywhere yet. I've got a few questions for you. Legislator Anker had a question for you.

**LEG. ANKER:**

I just want to compliment what you've done for the Town of -- Village, excuse me, the Village of Patchogue. I was there 30 years ago, probably a little less than 30 years ago working on the business improvement district with the Swezey's, Blum's, Jay's, all those -- all those folks there. And I remember how difficult it was even just to keep plants in the plant container because people would come and vandalism them.

**MAYOR PONTIERI :**

Yes.

**LEG. ANKER:**

And, you know, the economic growth was just not there. And it's just refreshing to see, you know, a very positive change in Patchogue. And I hope we can take those ideas that you've implemented and bring them to, you know, Rocky Point and some of the areas in my district. I just wanted to thank you for your services.

**MAYOR PONTIERI :**

It really has. And I thank all of you very much.

**CO-CHAIR CALARCO:**

And you can even -- you can look at our Art Space project that you mentioned, Mayor Pontieri, this Sunday there was a big arts festival in Patchogue Village that was organized by the Art Space folks. They brought people in from as far as Denmark, I think, to demonstrate their art on Main Street and in the surrounding area so people can come, buy that art but also watch the artist in action. So it was -- it really all adds to the vitality of the Village.

**MAYOR PONTIERI :**

Thank you.

**CO-CHAIR CALARCO:**

Thank you, Mayor.

**MAYOR PONTIERI :**

Thanks again; appreciate it.

**CO-CHAIR CALARCO:**

Our next speaker is Elizabeth Lunde.

**MS. LUNDE:**

Good afternoon. My name is Elizabeth Lunde. I represent Concern for Independent Living and I'm here to speak in support of the Capital Programs 8704 for land acquisition and 6411 for infrastructure improvements.

Our agency has been fortunate enough to already have benefitted from these funds in previous projects. Our Liberty Village project, which may be familiar to some of you in Amityville houses now 60 homeless veterans, who -- individuals and families -- oh, thank you, aren't you nice -- who are able to come into this housing for which we receive infrastructure funds and our Ronkonkoma project, which we're hoping to open later this month. And that's going to provide 30 units of housing for homeless veterans and 29 units of workforce housing for folks who are earning not more than 50% of the area median income.

These funds are so important -- thank you so much for doing that -- these funds are so important because the State and Federal applications that we have to complete in order to bring in funding for these projects, which can easily total \$25 million, require a complex package of funds. And they look for a local contribution. Having these funds come from Suffolk County helps us to leverage \$25 million that comes into the County from outside to better a piece of our community. And the long-term benefits are so important, as our last speaker just shared, but these projects create jobs, short-term construction jobs and long-term social service and operations positions. They create the workforce housing that we know that our area needs. And we have one more project in development currently in Middle Island, 123 units. And that will be providing housing for homeless persons, but also housing for workforce housing up to 90% of area median income. And we're using these funds to help build a sewage treatment plant that's critically important to that community because it's going to make it possible to develop further and to help realize the plans to develop a walkable downtown community in Middle Island.

So it's -- I liked the illustration of a mustard seed. This really is a small piece relative to the size of our whole project, but it's a critical piece that helps us to bring in the rest of the funds to do this good work. So thank you.

**CO-CHAIR CALARCO:**

Great. Thank you very much. Legislator Krupski has a question before you go away.

**LEG. KRUPSKI:**

Thank you. Those two projects that Jason held up, are they on the tax rolls?

**MS. LUNDE:**

They both have pilots.

**LEG. KRUPSKI:**

Okay. So -- and how long is that agreement for?

**MS. LUNDE:**

Honestly, that's -- I don't know that.

**LEG. KRUPSKI:**

But who runs the projects?

**MS. LUNDE:**

Our agency is the developer, owner and manager of the project.

**LEG. KRUPSKI:**

And who pays you?

**MS. LUNDE:**

We get a lot our funding through the state for our operating funds. And the residents themselves make a, you know, pay a rental amount. So it's a combination.

**LEG. KRUPSKI:**

Thank you.

**CO-CHAIR CALARCO:**

Don't go anywhere. Legislator Anker.

**LEG. ANKER:**

Yeah, I was looking for the -- the picture of Sandy Hills, what is the formal name of the development that's known as Sandy Hills?

**MS. LUNDE:**

We're still working on that. We're good at a lot of things. Naming projects is not one of them so its corporate name is Concerned Middle Island. We hope to know before we open.

**LEG. ANKER:**

And I just want to let you know the community's very supportive of the development. You know, we're working on many parts in Middle Island, but, you know, especially for our veterans and finding housing for our vets is so vital. And we really appreciate your efforts. Thank you.

**MS. LUNDE:**

Thank you. We've very excited about it.

**CO-CHAIR CALARCO:**

Great. Thank you very much.

**MS. LUNDE:**

Thank you.

**CO-CHAIR CALARCO:**

Our next speaker is Paul Fink.

**MR. FINK:**

Good afternoon, Legislature, staff and guests. My name is Paul Fink and I'm the Vice President of Marketing and Development for Community Development Corporation of Long Island.

I would like to take this opportunity to thank this Committee and the Suffolk County Legislature for your long-term commitment to affordable and workforce housing. CDCLI was established in 1969 for the purpose of addressing the high demand for affordable ownership and rental housing on Long Island. We have had a long partnership with the County in building affordable housing for first-time home buyers, on tax foreclosed properties, renovating foreclosed homes for rental or sale and constructing multifamily rental apartments for families and senior citizens.

Suffolk County's workforce housing funds have been a crucial catalyst in a number of our multifamily developments. This Thursday with Conifer Realty, we will be conducting ribbon cutting for 176 new apartments in Coram for families earning up to 90% of the area median income. Suffolk County's investment in this development has spurred a total investment of \$56 million and 175 construction

jobs. These beautiful new, energy-efficient apartments have been built on the site of an abandoned movie theatre and are helping to spur revitalization throughout the hamlet of Coram.

More recently workforce housing funds have been committed to our new project in Copiague. A transit-oriented and smart growth initiative Copiague Commons is being constructed on the site of a former warehouse across the street from the train station and very close to a struggling business district. The 90 mixed-income apartments will be for families with incomes up to the median; \$34 million in public and private funding has been leveraged and is expected to create approximately 100 construction jobs. CDCLI urges you to approve the County Executive's proposed allocations for Capital Program 6411 infrastructure and 8704 land for the 2017 to 2019 period, supporting new development of additional sorely needed affordable housing. Thank you.

**CO-CHAIR CALARCO:**

Great. Thank you very much. Questions? Next speaker is Gregory Ferraris.

**MR. FERRARIS:**

Thank you, Gregory Ferraris, former Mayor of Village of Sag Harbor as well as founder of the Sag Harbor Community Housing Trust. You know, based on comments what we've heard today, we all know that there's a reduction in the number of workforce housing units that's resulting in a reduction of the labor pool, more acutely on the eastern end of Long Island. This reduction in the labor pool has caused what some might say is an economic crisis out there. As a practicing CPA for the last 20 years, I've live this on a daily basis; a day doesn't go by where a client doesn't relay the fact that their biggest issue in promoting their business is the fact that we don't have the labor pool to move forward.

In 2015 was the first time that we actually saw -- upscale, well-known restaurants had to scale back their operations, scale back their hours. Service providers had to cut the number of clientele that they were servicing due to the fact that they did not have the labor pool to suffice. So this issue is real. It's not just statistics, it's not just paper; these are the real life issues that we're facing out there.

A couple of business owners and I formed the Sag Harbor Community Housing Trust a few years back and we were funded through inclusionary zoning fees that were suffice to the requirement of the Suffolk County Planning Commission. We use those proceeds to purchase a lot at sub-value from a seller that was willing to do so. And we're currently in the process of developing the property for an eight-unit rental property. When we looked at the plans originally, these funds were supposed to be used for financial assistance for down payment assistance for first-time home buyers. We become keenly aware that that ship has sailed on the eastern end of Long Island, especially in our community. So we're really looking at developing rental units at this point.

We feel that rather than large scale development of workforce housing where that may be more attributable to western end of Suffolk County, we feel on the eastern end the smaller developments, five to ten units that are assimilated throughout the local villages and communities are the way to go. So we're going to be looking at opportunities to obtain different parcels and different projects and work with Suffolk County. We feel that the infrastructure increase on the budget will definitely promote our organizations. There are a few of us out there that have been formed 501 (c) (3) not-for-profit organizations that aren't affiliated with any type of municipality. We feel that that is the best way to go -- to help resolve. So I hope my comments will help you increase the capital budget element.

**CO-CHAIR CALARCO:**

Great. Thank you very much. Don't go anywhere yet. Legislator Lindsay has a question for you.

**CO-CHAIR LINDSAY:**

Good afternoon, Mr. Mayor, thanks for coming in. My question is just on those units, how do you safeguard against people renting them that aren't going to add to the labor pool?

**MR. FERRARIS:**

Well, the existing development that we did purchase was substandard, not code compliant. There were individuals who were living there. It happens that all eight units that are currently being rented, they are in the labor pool. They do have children in the school district. They're members of our community, some of them which have been there for 14, 15 years. The landowner was going to be selling it to a high end development for a condo project. So we were lucky enough that the seller was willing to provide that to us -- opportunity to move forth.

**CO-CHAIR LINDSAY:**

Thank you.

**CO-CHAIR CALARCO:**

Thank you very much, ex-Mayor. Our next speaker is Jim Morgo.

**MR. MORGO:**

Good afternoon. I'm Jim Morgo and I've had many previous jobs, most of them involved creating affordable homes. I just wanted to part from my prepared remarks very quickly to underline with Mr. Albanese and Pontieri and as Miss Lunde just said, these funds are the start. If you're going to do an affordable -- if you're going to do a job that creates affordable homes, you have to cobble together many different financing, both public and private. And these funds start that from these two Capital Programs.

Last year I testified in support and I gave the history of the evolution of both programs. I just want to make a couple of quick observations today. When the Long Island business community created the Long Island Housing Partnership in 1988, I was its first president and CEO. Its target audience was young working Long Islanders, who did not earn enough to afford a home but earned too much for the existing subsidy programs. The Housing Partnership was created because businesses were losing their needed workers to regions with more affordable homes. The Housing Partnership was designed to do more in economic development organization than a social services organization. And Paul talked but how it really, creating homes not only in the downtown, but everywhere, creates a ripple effect for our other businesses.

Since 1988 other programs were the suburban focus including the County's land and infrastructure programs, I had something to do with the infrastructure program, were created to assist those in need of help with housing, but who don't qualify for low income housing subsidies. However, even with the new programs, even with this program, homes created with some public funding on Long Island account for only 4% of our total homes. Only 4%. And this includes things like public housing, Section 8 rent subsidies. The Long Island index reports that Long Island's young adults are still more than twice as likely to live with their parents or another older relative than in other regions in the country. That's because of changing demographics mostly.

So although the two Capital Programs have enviable track records, they're still needed. Housing choices have changed since 1988. The housing partnerships early affordable homes were all single family detached homes each on their own parcel. Now you're seeing, because of changing demographics, smaller families, fewer children, multifamily housing. There is a rise in multifamily homes on Long Island, and there needs to be, there are more rentals. We started -- the Housing Partnership started we were exclusively homeownership. There is still a definite need to create homes, ownership and rental. Suffolk -- there's still a need to create these homes Suffolk residents can afford and the Capital Programs -- these Capital Programs help meet that need and should be

continued. In economic development terms, they are good investments and they provide terrific returns. Thank you.

**CO-CHAIR CALARCO:**

Thank you, Jim. Does anybody have any questions?

**MR. MORGO:**

Okay, thank you very much.

**CO-CHAIR CALARCO:**

Thank you very much. Appreciate you coming out. Next speaker is Diane Burke.

**MS. BURKE:**

Good afternoon. Diane Burke, the CEO of Habitat for Humanity of Suffolk. I'm handing out little zip drives to each of you. On the drive is a video that documents one of our families basically to give you a face of who it is that -- who affordable housing is. And without affordable housing, who leaves. On the video this particular family says without affordable housing, they're taking their tax return and they're moving to North Carolina. He is an HVAC mechanic of which we desperately need folks to fix, repair, install HVAC here in Suffolk County. Incredibly difficult, if you know, to be able to find a place to call home in Suffolk County without people like Habitat, LIHP, CDC, CDAs; we work together to fill a void that is paramount in creating successful economies locally whether it's in a downtown or a just a hamlet.

Sarah and I have worked together many times to try to create better places for folks to live and a sense of community. Our program in particular requires community service as part of the program. All of our affordability is deed restricted, which lives with the land regardless of who owns it and whether or not our homeowner sells in the future. So it creates affordability in perpetuity and changes the lives of these families for generations to come.

I can tell you that we are building a house in Wyandanch. And because of the enormous cost of building in Babylon and the requirements not only by Babylon Town but the Health Department, that house -- and the infrastructure that I had to fundraise on our own for, the cost of creating one affordable unit in the community of Wyandanch was well over \$240,000. The house appraised for 125.

What we are doing, what is our hope and why would we make that kind of investment out of money that we have to raise on our own is because we believe it's really important for folks that want to live and work in that community to have a place to call home. I can tell you that in a similar community in Central Islip, we built a house in conjunction with the Islip CDA. While we were building that house, the surrounding homes all improved as a result of the improvement we made on a dilapidated home in that area. The change is contagious. It's important. And we need to remember that affordable housing is a catalyst for community development and our local economy. Thank you.

**CO-CHAIR CALARCO:**

Thank you, Diane. Legislator Anker has a question.

**LEG. ANKER:**

And I also want to thank you for your efforts in helping our veterans.

**MS. BURKE:**

Welcome.

**LEG. ANKER:**

You know, very successful projects within Rocky Point and Sound Beach. And, again, giving people hope individually and also helping the community exponentially, you know, for your services to our community, so, thank you.

**MS. BURKE:**

You're welcome.

**CO-CHAIR CALARCO:**

Okay, Legislator Kennedy.

**LEG. KENNEDY:**

Good afternoon and thank you for speaking.

**MS. BURKE:**

You're welcome.

**LEG. KENNEDY:**

Habitat for Humanity is a marvelous organization. You do excellent work.

**MS. BURKE:**

Thank you.

**LEG. KENNEDY:**

So our Health Department was the cesspools? Is that the --

**MS. BURKE:**

Well, because of the depth to groundwater in that particular community --

**LEG. KENNEDY:**

Okay.

**MS. BURKE:**

-- we had to raise the cesspool.

**LEG. KENNEDY:**

Oh, no.

**MS. BURKE:**

And then we had to produce a decorative retaining wall that was waterproofed. And the decorative element of that retaining wall was an additional \$5,000 cost to the project.

Also, we had to create drainage in the road curbing and then improve the road as well, which was a significant cost to the project. The particular family, though, we're building for wanted to be in Wyandanch and it was important to them to create a place to call home. They have children and they are constantly moving and they both have very good jobs and they're going to be an amazing contributor to the community. So we felt it was really important even though there are tons of hurdles to overcome that we make the investment and create the home.

**LEG. KENNEDY:**

Thank you for your work. I am sorry, but I know that it's groundwater breeches --

**MS. BURKE:**

Yeah.

**LEG. KENNEDY:**

And it's very difficult and very costly.

**MS. BURKE:**

Exactly.

**CO-CHAIR CALARCO:**

Okay. Legislator Trotta.

**LEG. TROTТА:**

Did you say it cost you \$230?

**MS. BURKE:**

It's in excess of that, yeah.

**LEG. TROTТА:**

And it appraised for 125?

**MS. BURKE:**

125.

**LEG. TROTТА:**

And the reason you did that?

**MS. BURKE:**

Again, we feel it's important to make an investment in communities that need homeownership for families that are -- want to live there. And it's tough to -- is that typical of Habitat in the investment we have to make? No. But we were invested in our family and in the community. And we really -- I have seen -- you're looking at me with doubt, but I invite you to come with me --

**LEG. TROTТА:**

I'm looking at you like why didn't you just buy two other houses and, you know -- it would have been cheaper to fix up two houses than to build one.

**MS. BURKE:**

It's actually not, but as a former finance corporate executive, I can tell you that it's not and I would love for you to come with me and I'll show you the investments that we make, what it actually costs to make a difference in the community. I can have Alison show you with me the --

**LEG. TROTТА:**

I'd love to see it.

**MS. BURKE:**

-- the neighborhood in Central Islip where we made an extraordinary investment together, Town of Islip and Habitat in this property in Central Islip and the change that it made in the community almost immediately. So sometimes A plus B doesn't always equal C, but then at the end of the day the investment that we've had made as a non-profit, affordable homebuilder made a huge change in the community and that's why we're here and that's what it is we do. So I'd really -- I'd love for you to come around. I'd personally take the day and bring you around and show you what it is that we do.

**LEG. TROTТА:**

Any time you want.

**MS. BURKE:**

Okay. Great.

**CO-CHAIR CALARCO:**

Okay. That's all the questions? Thank you very much.

**MS. BURKE:**

Thank you.

**CO-CHAIR CALARCO:**

Our next speaker is James Britz.

**MR. BRITZ:**

Good afternoon. My name is James Britz. I'm Executive Vice President of Long Island Housing Partnership. First I would like to thank the Committee as well as the Suffolk County Legislature for all your assistance and support over the last 28 years that we've had the Long Island Housing Partnership. Our prime mission is to work in Nassau and Suffolk County to develop affordable housing and workforce housing. A lot of what you've heard from Mayor Pontieri as well as Jim Morgo is when we first had started out, we mostly focused on single family housing, you know, selling them to people earning at or below 80% of median income, which in today's standards is around for a family of four 80,000, \$85,000 a year.

Since then we've realized that our focus has to turn towards doing more dense projects in downtowns. And these funds for both the land and the infrastructure have been critical not only in downtowns like Patchogue but Bay Shore, Riverhead, Huntington we're doing projects now as well in. So without these funds, you know, those mixed-use, mixed-income developments wouldn't be possible. Wyandanch, another great example. And we have many more in the pipeline so obviously the need for these funds is greater than ever. And, you know, not only are we building affordable housing in those developments, but they're market rate housing, there's commercial, there's retail. And everything, you know, that makes those developments happen is due to your support and your funding. So I just want to thank you. Any questions, I'd be glad to answer.

**CO-CHAIR CALARCO:**

I don't see any. Thank you very much, Mr. Britz.

**MR. BRITZ:**

Thank you.

**CO-CHAIR CALARCO:**

Our next speak is Allan Handelman.

**MR. HANDELMAN:**

Good afternoon. My name is Allan Handelman. I'm here to speak in support of the Capital Program 6411 infrastructure and 8704 for acquisition. I'm Vice President of Development at Conifer Realty. We're based in Rochester, New York with offices in New Jersey and Maryland. And we've been working in Long Island and Suffolk County for almost 15 years. Along with our local partner CDCLI, we have developed and built over 600 units of affordable housing here.

Currently we have almost 150 units in construction and development and we are pleased to share with you that we will be opening and staffing a regional office in one of the commercial spaces in the

recently completed Wincoram Commons in the Town of Brookhaven. Wincoram Commons is 176 unit workforce housing community that was constructed on a blighted site in the hamlet of Coram. The project is the culmination of the lengthy planning process that included the County, Town and community. This was initiated in the 2006 Middle Country Road Land Use Plan.

Along with CDCLI we've recently held a groundbreaking in Copiague for 90 units of workforce housing known as Copiague Commons. Again, this project has benefitted from County infrastructure funds. This is the first project that emerged in an area-wide rezoning and downtown Copiague. This was initiated through the Copiague Visioning Plan in 2009. We've recently obtained plan approval for Peconic Crossing, a 45 unit building in downtown Riverhead. This will provide artist-preference housing that will support the growing arts community in Riverhead and we are working closely with the East End arts on programming for the gallery and studio space located on Main Street. We hope to begin construction by the end of the year.

The primary funder for our developments is New York State. When the State allocates its valuable resources, they look to see evidence from local support. County infrastructure and acquisition funds are a critical element in demonstrating local support. In our projects an investment of less than \$3 million has leveraged over \$100 million in state and private dollars. The projects that the fund support not only provide workforce housing, but are key to implementing community initiated smart growth communities. The high quality units that we create in desirable locations meet a critical need for housing. The availability of these apartments frequently assist community members that are at the beginning and end of their economic life cycle thus permitting recent college graduates and empty-nesters to remain in the communities that they've been raised in or have raised families in.

Conifer and its partners are deeply appreciative of the political will that Suffolk County has demonstrated in providing funding that supports the development of affordable workforce housing. We are committed to using these funds prudently in a manner that leverages significant public and private resources and delivers wonderful communities that are much needed and that we can all be proud of. Thank you.

**CO-CHAIR CALARCO:**

Great. Thank you. Any questions? Thank you very much for coming out today. Our next speaker is Peter Florey.

**MR. FLOREY:**

Good afternoon. Peter Florey. I'm a principal with D&F Development Group based here on Long Island. And I am also the secretary of the Long Island Builders Institute LIBI and I am here to speak on behalf of the membership of LIBI as well.

I, too, want to -- I want to echo the sentiments of my colleagues who have spoken here already about the benefits of the County Executive's Capital Programs. We, D&F, are completing a project right now in Melville, in an affluent area of Melville, 117 units of affordable housing that actually has a lottery. We have sent out over 2000 applications for 117 units for that project. There's a huge unmet demand for this type of housing. So, you know, if you support the premise that affordable housing is needed on Long Island, these funds are very, very critical to the successful development in obtaining the necessary funding that allows us to build these projects.

The reason that they're so important, as has already been articulated, is that the funds are both public and private, but the public portion is very critical to maintain the affordability. And when largely the State and in some cases the Federal government, who are putting up some of that money, look to the projects, there's a lot of competition for those funds throughout the State. For every four projects seeking funding, only one gets funded. So there's a lot of folks chasing after that money. And when the State does their evaluation of projects, one of the critical factors that

they look for is that there's local support. And even though in our case 5% -- only 5% of the total project cost was the land infrastructure funds from the County, that was a critical element to the success of the project. So even though they largely make up a small portion of the budget, it is something that is absolutely essential for us to build.

Our project also created hundreds of jobs. We estimate about 200 jobs were created. And it is also -- we're providing a preference for our veterans. So, again, I support wholeheartedly the workforce housing funding and I thank you very much for allowing me to speak. Thank you.

**CO-CHAIR CALARCO:**

Are there any questions for Mr. Florey? None? Thank you very much for coming out today. Our next speaker is Alison Karppi.

**MS. KARPPI:**

Good afternoon everyone. I am here today on behalf of our Capital Program 8704 and 6711. Affordable housing is a major component here on Long Island. As the Executive Director to the Town of Islip Community Development Agency, we feel it's important to continue to work together to revitalize our neighborhoods and our communities; get our homes back on the tax maps rolls, increase employment opportunities and give our families an opportunity to have lived the American dream.

The CDA partners up with not-for-profits, such as Long Island Housing Partnership, CDC and Habitat for Humanity. By working together with the County, we are able to accomplish the great demand of affordable housing that is so desperately needed here in Suffolk County. Thank you.

**CO-CHAIR CALARCO:**

Thank you very much. Any questions for Miss Karppi? None? Thank you very much for coming today. And the last card I have is for Alexandra Giorgos? Giorgos?

**MS. GIORGOS:**

Good afternoon. Thank you. My name is Alexandra Giorgos. I'm a financial analyst at Georgica Green Ventures, an affordable housing developer throughout Long Island. We wanted to express our support for Capital Programs 8704 and 6411. The State funding for our projects is very competitive. And when we apply and we can show local support through these Capital Programs, our projects score more points and we're more likely to get funded.

I just wanted to thank you for all the work that you do and urge you to incorporate this additional funding for housing programs. Thank you.

**CO-CHAIR CALARCO:**

Great. Thank you very much. I have no other cards. Is there anybody else in the public who would like to address the Committee? Okay, seeing none, I think what I'd like to do since the affordable housing component is, I guess, kind of related to economic development, maybe we'll go to the IT portion first and then move into affordable housing, real estate and the economic development folks. So I do see Commissioner Mezzanotte here. Commissioner, come on up. Is there anything that you would like to share with us or does anybody have any questions for the Commissioner regarding IT related projects? Commissioner?

**COMMISSIONER MEZZANOTTE:**

Thank you. Yeah, I guess this, again, is -- these are three interrelated projects that are critical for us to maintain our IT infrastructure both in terms of -- or in terms of overall security, reliability, availability and resiliency of our network and all its resources. We support through these two projects two main data centers, a significant amount of equipment on the infrastructure to over 200

locations. And it's really imperative that we continue to maintain this infrastructure to provide reliable services on our IT environment. So, you know, with that I'm hopeful that we'll continue to support this program well into the future.

**CO-CHAIR CALARCO:**

Commissioner, are you saying that you're comfortable with what's been recommended by the County Executive? And I don't think BRO has made any major suggested changes to anything impacting your department; is that correct?

**COMMISSIONER MEZZANOTTE:**

Yes, I am.

**CO-CHAIR CALARCO:**

Okay. Does anybody have any questions for the Commissioner? Nope. Thank you very much. We appreciate your time.

**COMMISSIONER MEZZANOTTE:**

Thank you.

**CO-CHAIR CALARCO:**

What I will do now, I guess, we'll go to any of the workforce housing component. Amy Keyes and Jason Smagin are here from Real Estate. Does anybody have questions for them? No? Then I'll pass it off to Legislator Lindsay, who can pick up with our Economic Development team and I'm sure there's going to be some questions for them.

**ECONOMIC DEVELOPMENT**

**CO-CHAIR LINDSAY:**

Thank you, Legislator Calarco. If we could ask the folks from Eco Dev to come forward. Good afternoon. Thanks for coming in this afternoon. Obviously you heard a lot of testimony regarding affordable housing. Is there anything just to close the loop on that conversation, anything that you would like to add on behalf of economic development in terms of some of the testimony that you heard here this afternoon?

**MS. WARD:**

Thank you. Teresa Ward. I'm the Chief Deputy Commissioner Economic Development and Planning. And I am filling in for Commissioner Minieri who has had a personal emergency she had to deal with so she sends her regrets for not being here. But to restate the importance of the prior testimony for the workforce housing and the infrastructure funding are critical for the major initiatives to retain our young people and that's in our transit-oriented developments. So I think that's really all that we have in addition to add.

**CO-CHAIR LINDSAY:**

Thank you. Before we go through the budget items, is there anything else that you'd like to add or any other issues that you'd like to address here today before the Committee?

**MS. WARD:**

No, I think, we're, you know, here to answer your questions. We read through the BRO report pretty thoroughly and we're here to answer your questions.

**CO-CHAIR LINDSAY:**

Okay. I'll open it up to Legislator Krupski, the first question.

**LEG. KRUPSKI:**

Thank you. Welcome. There are -- a lot of people spoke in favor of 8704. There's a project, Georgica Green in Riverhead. I'm not familiar with that project. What is that?

**CO-CHAIR CALARCO:**

I think you're looking for the folks in Real Estate, Jason or maybe Amy could come up and speak to it. They're the ones that handle the workforce housing portion.

**LEG. KRUPSKI:**

Well, okay.

**MS. WARD:**

Okay.

**LEG. KRUPSKI:**

I have other questions for you that they may not be able to answer.

**MS. WARD:**

Okay.

**LEG. KRUPSKI:**

Thank you.

**MR. SMAGIN:**

Hi, how you doing? So we had Georgica Greens here who could have answered the question, but it is a project -- hold on one second, let me just go through my notes. It's a 96-unit project projected in Riverhead. It's a five-story building with ground floor retail. I believe the address is 11 West Main Street. Is there anything else you'd like to know about the projects?

**LEG. KRUPSKI:**

Well, is it -- so the proposal is to spend money there but how much money and where is the project? I mean, do they have local approvals?

**MR. SMAGIN:**

Well, they're going through that process now, they're working through health and everything else. When they get to the stage and -- our numbers, when it comes to these projects, are never final until we come to you guys with the amount in the request to enter into the development agreement. So up until that time, you know, things are earmarked; the process is, you know, evaluated throughout and continue to be processed because, you know, these projects, they are receiving other funding and we really try to be a type of gap filler to make sure that the project is affordable to the restrictions that we have under our code. And also just to make sure that the project is able to get off the ground.

**LEG. KRUPSKI:**

Is that the one where they're taking down the science museum on West Main next to the bank?

**MR. SMAGIN:**

I'd have to get back to you on that, but I can look into it for you to confirm. I can try to run to the lot to try to get -- that's not I'm being told. That's Peconic Crossing.

**LEG. KRUPSKI:**

(Laughter) Thank you, because I need the answer right away. What would happen, suppose that you came to the Legislature and said, you know, we need a million dollars to subsidize this. And

suppose we said "yeah, you know, how about 500,000?" What would happen then? Do you think the, you know, for whatever reason, whatever conditions exist there, that would be what we would be willing to kick in?

**MR. SMAGIN:**

It probably would depend on the project by project basis. And to be honest, you know, the project probably would not be able to go forward without the funding that would be, you know, fully committed from the the County. So, you know, I can't speak to every project but --

**LEG. KRUPSKI:**

You can ask Jason a question because I have other questions. Go ahead.

**LEG. TROTТА:**

Who's building this?

**MR. SMAGIN:**

That would be Georgica Greens. Are we specifically talking about the Riverhead one now?

**LEG. TROTТА:**

Yeah.

**CO-CHAIR CALARCO:**

She was just here. She was the last speaker, you guys could have -- she said she was building for --

**MR. SMAGIN:**

She said Georgica Greens.

**LEG. TROTТА:**

Georgica Greens is the development company?

**MR. SMAGIN:**

That is correct.

**LEG. TROTТА:**

And we're buying property for them?

**MR. SMAGIN:**

What would happen is when it comes to these developments, we have the two funding sources. We have the 8704, which is land acquisition. So what happens in that case is the County comes to the table with an investment for the actual real estate itself. And then we restrict that property to be -- to be affordable and have to be constructed within a certain amount of time, which is all laid out within the development agreements, which are attachments to the resolutions we put forward to the Legislature.

**LEG. TROTТА:**

So, I'm -- let's say this guy is a, you know, a multibillionaire.

**MR. SMAGIN:**

U-hum.

**LEG. TROTТА:**

Okay. And the only benefit we get from this is that we're getting a little bit more affordable housing.

**MR. SMAGIN:**

So, you may not get the project at all without the County investment. So it's not just a little bit of affordable housing. It's restricting the units and the project itself. And it's the economic impact that also comes with that project and the affordability. I mean, for example, for the most recent one that was approved at the Legislature Copiague Commons, the analysis had showed that the 750,000 that we would be investing on that project is projected to have a direct spending of an estimated of 29.1 million on a project. And it's projected to have 94.5 million in economic activity to the Long Island region.

**LEG. TROTТА:**

That's projected and, you know -- - I just -- you're taking the free market out of this whole thing. I mean, because people want to build. And if they're going to build, and they'll rent at a certain rate where people rent at, I mean you're basically subsidizing a bunch of millionaires.

**MR. SMAGIN:**

Well, I cannot speak to the exact net worth of all of our developers, but I don't believe that everyone who, you know, comes and takes the risk in doing these developments, I don't believe they make money on each development. They make take losses on some. I think they do their best to try to analyze their risk before moving forward. This is why these funds are so important to have these pools of money together so that they come and invest in Suffolk County.

**LEG. TROTТА:**

I don't agree.

**MR. SMAGIN:**

Okay.

**CO-CHAIR CALARCO:**

I think the important thing to note with, you know, there is an investment. We are -- when we're talking about affordable housing and our commitment, it is an investment we make to buy affordable housing in Suffolk County. I mean, that's the tradeoff. We make financial commitments either -- through helping with land acquisition or through helping with infrastructure improvements to get the workforce or affordable housing component of the projects. And if we left it to the free market, you're right, the free market would build, the free market would build based also, of course, upon what the restrictions are the towns and villages place into the free market and their zoning codes to meet the need. I mean certainly if developers were allowed to build whatever they want, they'd probably build a lot more apartments, because for a while there, that was the only thing financing was available for. But they weren't necessarily getting to build the projects that would be viable financially because the towns don't give them the density or what have you. So there's always tradeoffs. We're trying to help further the component of affordable housing and, you know, that's the policy debate we have. We're willing to have it any day with people but that is exactly what it is.

**LEG. KRUPSKI:**

Sorry. No problem. So we've been going through some of the other capital programs and 6424 Jumpstart --

**MR. SMAGIN:**

Thank you.

**LEG. KRUPSKI:**

Thank you, Jason. Unless you want to -- any time we'd like to hear your opinion on this.

**MR. SMAGIN:**

No, thank you guys. I'll step down now.

**LEG. KRUPSKI:**

Okay. So Budget Review said that, you know, to allocate money for '17 isn't necessary because there's still seven-and-half million dollars that are unappropriated so I just wanted to get your take on that.

**MS. WARD:**

Sure. The Jumpstart Program is probably one of the most important for economic development for us. And we have -- it's the program where the County works with towns and villages to come up with -- they have their plans and we can help them get their regionally significant plans developed. It's very important that we maintain that funding, similar to workforce housing in that you need a reliable source for these projects to count on so the towns and villages can plan that they'll be able to fill a gap with that Jumpstart funding. And also those projects all come for legislative approval once we're ready to move forward with a specific town's plan.

**LEG. KRUPSKI:**

There's seven-and-half-million-dollars in the kitty, so the concern while we've gone through the Capital Budget Working Group is that we're trying to obviously be as tight with that as we can because we don't want to -- because of the current, you know, fiscal condition of the County, we're not trying to borrow more than necessary.

**MS. WARD:**

Yes.

**LEG. KRUPSKI:**

Is that -- with seven-and-a-half-million-dollars, is that enough for '16 and '17? Or, you know, is anyone going to make the case that we need an extra five million because we've been allocating five million for a number of years.

**MR. BEKOFSKY:**

Lou Bekofsky, Deputy Commissioner of Economic and Planning. This program needs to be funded every year. And I think Teresa mentioned we need to have a steady stream of funding available to move at the pace of the project. So we know that projects are moving forward reading the paper every day. We have projects in every town in a number of villages, a number of municipalities. We can rattle them off but I think everyone's aware of the projects that are moving forward. And honestly \$5 million a year is the minimum we need. You could easily give a project like Ronkonkoma Hub or Wyandanch or Huntington Station or Riverside a significant award. You know, in the past we've given -- we've already in just '13 and '14 I think we awarded \$7.3 for a handful of projects. So there's never going to be enough money to meet the demand of the projects that are moving forward. We would just request that there's never a year where we don't have funding readily available.

**LEG. KRUPSKI:**

So one of the -- and I'm going to ask the question -- same question on Start-Up New York, is -- you know, one of the most successful industries and biggest industries in Suffolk County is agriculture. Is this money -- is any of that money available for agriculture either for farmland -- purchase for farmland development rights or for businesses that want to, you know, grow or expand?

**MR. BEKOFSKY:**

So Jumpstart -- Jumpstart is really meant for infrastructure related to projects that are located in our downtowns that has some kind of transit component. But it's also available for projects that add

jobs. So it really is a project specific question you're asking, but in general the answer is no, it's not for open space purchase. There are other funding sources available for that.

**LEG. KRUPSKI:**

Well, I mean as far as economic generators, agriculture is one and that's why I said, you know, if someone wanted to expand their business, maybe go into a different form of agriculture, maybe that would be appropriate source of funding.

**MR. BEKOFISKY:**

Yeah, the Department would request any projects, any good ideas we'd certainly look at.

**LEG. KRUPSKI:**

I'm good for now. Thank you. I might have another question but -- not from me -- not for you, I mean.

**CO-CHAIR LINDSAY:**

Legislator McCaffrey.

**LEG. McCAFFREY:**

Hello, how are you?

**MR. BEKOFISKY:**

Good.

**LEG. McCAFFREY:**

Just so I can -- because I kind of lose track of these things. So the Jumpstart is kind of like similar to the money that we used in, say, for Copiague?

**MR. BEKOFISKY:**

I think Copiague got Downtown Revitalization funds.

**LEG. McCAFFREY:**

So how did they -- what's different about the Jumpstart versus the Downtown Revitalization funds?

**CO-CHAIR LINDSAY:**

And, Lou, maybe to answer that question better, wasn't there a Jumpstart money that went into that project in Lindenhurst in the Village?

**MR. BEKOFISKY:**

I think also maybe Downtown Revitalization. Jumpstart awards have been for Babylon and Town of Brookhaven thus far. And Huntington, also. There's a difference. There's a couple of differences. Downtown Revitalization usually goes through the Towns and then over to a more localized civic group chambers for business corridors. They're usually streetscapes, sidewalk improvement, stuff like that. Jumpstart's really for larger projects, not necessarily for a whole quarter but for projects. And so it's usually for more significant infrastructure, moving utilities, moving a road, you know, just more significant work.

**LEG. McCAFFREY:**

Right. And I thought that's what we did in coop -- affiliate to Downtown Revit, that's what I thought it was, I was getting confused. And that's the grants that they apply for every year for the downtowns, right?

**MR. BEKOFSKY:**  
(Nodding head yes)

**LEG. McCAFFREY:**  
So the Jumpstart would be -- and I thought we had approved that for Copiague where they -- that money was used for infrastructure improvements, on-site and then they developer later used monies to do those infrastructure improvements just off that site. How am I getting confused here?

**MR. BEKOFSKY:**  
Yeah, I think that Downtown Revitalization fund is what you're explaining. It's over on --

**LEG. McCAFFREY:**  
The Railroad Avenue project.

**MR. BEKOFSKY:**  
Yes.

**LEG. McCAFFREY:**  
And that was Downtown Revit -- can you give me an example how we use the Jumpstart, then?

**MR. BEKOFSKY:**  
Yeah, absolutely. For example, I'll go to Huntington Station where we actually redid a road as part of the Renaissance Development over, I think, {Salindas} Road and supported another County investment for Veterans housing in the area. So, again, it's moving utilities, it's a, you know, infrastructure improvements.

**LEG. McCAFFREY:**  
Okay, so something like, you know, the Ronkonkoma Hub is moving along, how would you be using that in, say, for Ronkonkoma Hub and how would you utilize it?

**MR. BEKOFSKY:**  
It's the same type. I mean all of the -- if you look at the resolutions, all of the work is kind the same. It's infrastructure improvements and probably for a little more detail, we could certainly send you the resolution with the details both for Ronkonkoma Hub and for Wyandanch.

**LEG. McCAFFREY:**  
Okay. Thank you.

**CO-CHAIR LINDSAY:**  
Legislator Krupski.

**LEG. KRUPSKI:**  
Thank you. You spoke about investing in infrastructure improvements for these developments. Why wouldn't the developer, the one who's making the money on the project, do the infrastructure developments, you know, improvements?

**MS. WARD:**  
They are making a lot of investment in the project, but kind of the nature of Jumpstart is that it, like, jumps -- it's showing that there's public investment that's going to attract that private investment. So it's getting that early stage investment into infrastructure that's going to make the project happen. That's in essence -- it's a but for --

**CO-CHAIR LINDSAY:**

Just to expand upon that, if you backup to our testimony that we heard earlier today from Mayor Pontieri, as an example, it's the seed money that starts those projects and enables them to illustrate a commitment on behalf of the municipality to go out get their financing. And those -- the Jumpstart money is leveraged, you know, we've seen 20, 30 times what we put up in private investment.

**MS. WARD:**

And it goes to the town, you know, or the village, just to be clear. It doesn't go to the developer; it's for the town or village to get their plan, you know, implemented to get it off the ground.

**LEG. KRUPSKI:**

Thank you. So I'm just going to get off the Jumpstart for a second, the Start-Up New York, there is -- the proposed is five million in '17. And Budget Review had a different analysis on that. So what's the status of the current program? It's started by New York State and then not funded by New York State? So is -- would you consider this an unfunded mandate and what is the County -- how does the County plan on continuing this program?

**MS. WARD:**

So Start-Up was a designation that was created by the Cuomo administration. And what we're looking to do is provide locations for Start-Up, for businesses to locate at a Start-Up location that would be a tax-free site. So in order to do that, you have to work with a university or college. We've worked with Suffolk County Community College very closely and we have three sites that had to be a part of a campus plan that was approved by SUNY. And that has happened. And the next step is for Empire State Development to approve that project. But we're very -- we're moving very quickly on Start-Up at this point. We have -- in the last month we've met with a couple of tech companies that are very interested in locating at the office building at Wyandanch. And that is a -- that's where we have a lot of interest because it's right on the transit location. And that's where they see they can attract tech talent to come, you know, use the transit and locate there.

**LEG. KRUPSKI:**

But if you -- and I'm not saying you personally, but if we're giving new companies all these tax-free advantages, doesn't it put other companies at a disadvantage and other companies who are, you know -- any other business that's operating in Suffolk County or New York State, wouldn't they want to the same -- and should have the same benefits and advantages to be -- to be -- you're trying to be competitive not just Suffolk County, not just in the state, obviously New York State's made it, with a minimum wage increase, it's going to be very uncompetitive with neighboring states. Doesn't this give some companies really a great advantage over others that are already here?

**MS. WARD:**

Well, the idea that it's facilitating start-up companies and they need the help to get started and to really grow as a business, so that's really been the goal. And it's to get the -- to people that are developing an app at Stony Brook to have a place that they can start their company because it's much harder once you're -- to get -- become an established business.

**LEG. KRUPSKI:**

Would this be like an incubator where they would be given these advantages for a number of years and then asked to, you know, kind of learn to fly out of the nest and rent space, pay taxes, contribute like every other business does? Or is this like a permanent home for, like, a tax-free shelter forever?

**MS. WARD:**

Well, it's not forever. So it's a ten-year program. So the goal is -- it's a variety of -- companies get

started there. And they do grow out, but they're not necessarily pushed out. But the goal is that they grow as companies and then they need bigger space so they take other space.

**CO-CHAIR LINDSAY:**

Legislator Krupski, just to answer some of your questions a little bit further, too, and then I'll be happy to send you the details on Start-Up New York, there's very strict criteria. You can't be competing with an existing company that's already in the same marketplace. So to answer your question about picking favorites, it has to be true start-up and it can't be competing with a local company that already exists. So it's very stringent. I think that's part of the reason for the delay, too, is all the hoops that you have to jump through in order to be qualified for it and then in order to qualify the program.

**LEG. KRUPSKI:**

Thank you.

**CO-CHAIR LINDSAY:**

You're welcome. Any other questions?

**CO-CHAIR CALARCO:**

Well, I actually wanted to just touch base with them quick about the Jumpstart because in Patchogue I'm looking to try to -- we were just talking about this with a related road project but we have met in the past about furthering work on County Road 19 that would help move forward a project. We're bringing Anheuser Busch into doing a large investment in the Village of Patchogue, creating a large scale brewery there with tasting rooms. And it would also complement a potential hotel that would bring in a large number of jobs as well to the region. So it's kind of -- but the road project itself and the creating the parkland on the lake and creating the bus stop and some additional municipal parking is all investments that are municipal-based investments and not something that necessarily Anheuser Busch needs, but certainly makes their project much more attractive.

**MR. BEKOFSKY:**

Yeah, it's a great project. We did meet on it in the past. I would urge to be eligible for Jumpstart, if we could figure out the transportation component, that connection, that would be the key to make it eligible for Jumpstart. I would certainly want to look at that close.

**CO-CHAIR CALARCO:**

Yeah, well, we're very close to the train station but we also, you know, right there on that route, we want to place the northern bus stop on the north side of Main Street for the BRT route so it's a connection that brings all those pieces together.

**MR. BEKOFSKY:**

Absolutely.

**CO-CHAIR LINDSAY:**

Legislator McCaffrey.

**LEG. McCAFFREY:**

Thank you. I just have to -- the Jumpstart, I'm getting confused. That happens to me a lot, but I thought we were talking this was a -- for a start-up company. I don't see Anheuser Busch as a start-up company.

**CO-CHAIR CALARCO:**

No, no, no. Jumpstart is -- Jumpstart is for infrastructure improvements for economic development in downtown transit related areas. Startup New York --

**LEG. McCAFFREY:**

Start-Up New York, okay.

**CO-CHAIR CALARCO:**

-- is a program which the County Executive's proposal and the concept with it is to have us help create the space for start-up companies to go into in our region and specifically to try to bring them into downtowns. One of the disadvantages that Stony Brook University has versus SUNY Buffalo are certainly Suffolk once they have their designation will have is the capacity of locating these businesses on their campuses and in their locations because they're much tighter campus space, much tighter room than they have, say, in Buffalo where they have thousands and thousands of square feet of available, existing building space. We can -- if we can get -- work with either Suffolk or Stony Brook to get them to partner with us to create these locations and they control the locations, that's the key to the program. But putting them in our downtowns, we get those high tech companies to go into locations they want to be in anyways, which is in a downtown setting but still benefit from the Start-Up New York Program.

**LEG. McCAFFREY:**

So you're saying that the Start-Up --

**CO-CHAIR CALARCO:**

I'd love to have it. I got a spot in Patchogue for you.

**LEG. McCAFFREY:**

Yeah, I was just going to say you got a place for everything in Patchogue.

**CO-CHAIR CALARCO:**

We certainly do. We're focusing on --

**LEG. McCAFFREY:**

The Mayor left already, right?

**CO-CHAIR CALARCO:**

We created good housing. We created good places to go and eat and we want to create some good jobs.

**LEG. McCAFFREY:**

You have plenty of breweries there, too.

**CO-CHAIR CALARCO:**

We do.

**LEG. McCAFFREY:**

You're saying that --

**CO-CHAIR CALARCO:**

We got another one on the way.

**LEG. McCAFFREY:**

You're saying that this could go for a -- because it was the -- it housed the former college, now you

could use that as a connection there, is that what you're --

**CO-CHAIR CALARCO:**

Hey, listen, the old Briarcliff College, if Anheuser Busch actually comes through, I'd love to see something come into the location there, or Stony Brook, but there's another project on the horizon that somebody has in mind that would also be a good location.

**LEG. McCAFFREY:**

Okay. Thank you.

**CO-CHAIR LINDSAY:**

Okay, not seeing any other questions, I appreciate you guys coming in. Thanks a lot, Teresa. Thanks, Lou. Have a good evening.

We do have Gabreski Airport. Regina, if you wouldn't mind coming forward.

**MS. ZARA:**

Good afternoon. Regina Zara. Actually Tony Ceglie, the Airport Manager's here, so.

**CO-CHAIR LINDSAY:**

Okay, great. Hi, Tony.

**MR. CEGLIO:**

How you doing, Bill? Do you have any questions for more specifically or --

**CO-CHAIR LINDSAY:**

Well, if you could just look at the -- what you guys proposed for Gabreski and then what BRO has determined.

**MR. CEGLIO:**

Sure. For 2017 probably our biggest project is 5709 funding for air traffic control tower. The air traffic control tower at Gabreski was built by the Air Force in 1943; it hasn't really been upgraded. And recently the Federal Aviation Administration has, I guess, created some concerns or just brought up some concerns about the light safety requirements, fire alarm systems, escape routes, that kind of thing.

We have requested funding from the Federal Aviation Administration and New York State Department of Transportation, but we do require -- I guess they're requiring that the County do some preliminary work site studies and planning and design. 2017 we're asking for \$552,000 to do that planning and design followed by the following year, the FAA we're hoping would give us \$2 million towards a \$4.4 million construction project of a new tower. The tower would be co-located with the terminal building, which was also built in 1943; is a former Air Force Office Building. And also we'd co-locate it with the Airport Administration Building, again, another 1943 Air Force building. That's 5709. Maybe I should ask if there's any questions about that before I go onto the next one. Anything?

**CO-CHAIR LINDSAY:**

No, if you can continue, Tony, please.

**MR. CEGLIO:**

Okay. 5731 we're asking for \$656,000 in 2017. That's for airport obstruction remediation. The FAA's prioritized obstruction as a critical safety problem that needs to be addressed in the next couple of years. We've updated our airport capital improvement program, or ACIP as the FA calls it,

to move up funding for the obstruction analysis and removal of -- basically it's trees in and around the airport that exceed a certain height that could be a safety problem for aircraft coming and going to and from the airport.

Next project 5738 is a master plan. Basically it's an update for the Airport Layout Plan, which is part of the master plan. The last Airport Layout Plan that was approved by the FAA was, believe it or not, in 1980. I think we have the oldest one probably in the eastern region of the Federal Aviation Administration. We've attempted to update it several times, but it has not been submitted. Unfortunately I think the latest data we have in our plan is from 2009. The FAA considers that a little too old so we're hoping to use this funding to update the data, update the layout plan and come into the 21st Century.

**CO-CHAIR LINDSAY:**

Okay. What about 5726?

**MR. CEGLIO:**

Okay, we -- 5726 is the rehabilitation of runway lighting systems. We don't have any funding requested in that project until subsequent years 1.7 million; again, it's to coincide with the airport -- the FAA's Airport Capital Improvement Program. The upgrades would be to solve several of the taxiway lighting systems which are, again, from the 1940s, incandescent lighting. The upgrades are -- would be LED lighting, which would significantly save on utility costs at the airport.

**CO-CHAIR LINDSAY:**

Okay. Does anybody have any questions for Tony? No. Okay, thanks, Tony, appreciate you coming in.

**MR. CEGLIO:**

Thanks.

**CO-CHAIR LINDSAY:**

Thank you everyone for coming in and that concludes our committee hearing.

**THE MEETING CONCLUDED AT 2:23 PM  
{ } DENOTES SPELLED PHONETICALLY**