

**GOVERNMENT OPERATIONS, PERSONNEL, HOUSING  
& CONSUMER PROTECTION COMMITTEE**

**OF THE**

**SUFFOLK COUNTY LEGISLATURE**

**MINUTES**

A meeting of the Government Operations, Personnel, Housing & Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on March 14, 2013.

**MEMBERS PRESENT:**

Leg. Robert Calarco, Chairman  
Leg. William Spencer, Vice Chair  
Leg. Kate M. Browning  
Leg. Thomas Cilmi  
Leg. John M. Kennedy, Jr.  
Leg. Ricardo Montano

**ALSO IN ATTENDANCE:**

Deputy Presiding Officer Wayne R. Horsley, 14th Legislative District  
Leg. Kara Hahn, 5th Legislative District  
George M. Nolan, Counsel to the Legislature  
Sarah Simpson, Assistant Counsel to the Legislature  
Terrence G. Pearsall, Chief of Staff/SC Legislature  
Renee Ortiz, Chief Deputy Clerk/SC Legislature  
Benny Pernice, SC Budget Review Office  
Samuel Chu, Commissioner/SC Labor Department  
Paul Margiotta, Chief Deputy County Attorney  
Tom Melito, Deputy County Executive  
Tom Vaughn, County Executive Assistant III  
Charles Gardiner  
Paul Perillie, Aide to Leg. Gregory  
Lora Gellerstein, Aide to Leg. Spencer  
Amy Keyes, Aide to Leg. Calarco  
Kish J. Wright, Community Development Director  
Michael Pitcher, Aide to Presiding Officer  
Jennifer Appel, General Counsel, LIHP  
George Aridas, Albanese Development Corporation  
Vanessa Pugh, Deputy Commissioner of Economic Development & Planning  
Arthur Sanchez, DSPBA  
Paul Caplan  
Director Rosen-Nikoloff, Affordable Housing  
And all other interested parties

**MINUTES TAKEN BY:**

Diana Flesher, Court Stenographer

**THE MEETING WAS CALLED TO ORDER AT 12:35 PM**

**CHAIRMAN CALARCO:**

Can we have all the Legislators to the horseshoe for the Government Ops Committee? Okay, we're going to get started with the Government Operations Committee. If everybody could rise for the Pledge of Allegiance led by Legislator Horsley.

**SALUTATION**

Okay, thank you. We're going to get right into things here today. I have one card, Jennifer Appel. Jennifer, you want to come forward about Wyandanch Rising. I know we're going to have a presentation on Wyandanch Rising. Are you part of the presentation or did you want speak separately from that?

**MS. APPEL:**

I want to speak separately.

**CHAIRMAN CALARCO:**

Sure. Please come up.

**MS. APPEL:**

Good afternoon. My name is Jennifer Appel and I am General Counsel and Program Advisor of the Long Island Housing Partnership. The LIHP has been involved in the Wyandanch Rising project. And we've been specifically working with the Albanese organization for a couple of years now providing Albanese with technical assistance on affordable rentals in general and low-income housing, the Low-Income Housing Tax Credit for which they just were awarded credits.

LIHP believes that the Wyandanch Rising project is the first of its kind in the region and represents a true model of private and public partnership. We believe it has the capability not just to transform several blocks in a neighborhood, but instead an entire community that up until now has been isolated from the prosperity of Long Island.

As Super Storm Sandy illustrated, there is clearly a demand for affordable rentals for both -- young -- young people and families alike. And there's also a strong need to revitalize the economic status of Wyandanch and eliminate the blight. Rental apartments are critical to Long Island. According to Long Island's index, only 17% of housing on Long Island is multifamily versus other parts of the region outside of New York City that have 38%. The Housing Partnership supports this development and would like to see it bring much needed affordable rental housing and economic stability to the area. We hope to start working again with Albanese to start certifying tenants at the earliest possible date. Thank you.

**CHAIRMAN CALARCO:**

Great, thank you, Jennifer. Okay. I don't have any other cards before me. Is there anybody else in the audience who'd like to address the Committee? Seeing none, we're going to move onto the presentations. I'm going to go slightly out of order. And I know we have George Aridas from the Albanese Development Corporation here to give us a presentation about Wyandanch Rising. So, Mr. Aridas, if you'd like to go ahead and --

**MR. ARIDAS:**

Mr. Chairman. Mr. Chairman, thank you. I appreciate the opportunity. Albanese Organization is a Long Island-based development company and in its seventh decade. We are premiere developers of sustainable projects and have developed the first LEED gold and LEED platinum residential towers in New York City and the first LEED certified private building on Long Island. We became involved in Wyandanch because we see it as a natural extension of sustainability looking at creating a paradigm

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shift for Long Island as Jennifer just referenced.

We responded to the Request For Qualifications in, I believe, March of 2011 and the Request For Proposal in that summer and have been designated as the master developer. So I want to walk through some of the items that attracted us to this -- to this project and what makes it unique both for Long Island and an opportunity for all of us.

I have provided you with a handout that has some specific numbers. I'm going to go through some -- some images just to set some context, if I may. And I hope when I stand up, you can continue to hear me.

Just to set some geographic context, the focus of the project is the Wyandanch Long Island Railroad Train Station right in the middle of this area. Right now that area is a collection of surface parking lots. We've developed this to show that there are significant existing resources within the community. Daycare centers, youth centers, the school, the library, all within a half mile to a one-mile radius including some of the major work being done on Geiger Park by the Town. Right in the center is where the development would start. And we see that as creating a nexus to build upon the existing resources that are there.

The overall project developed -- project plan developed by the Town encompasses 40 acres running along Straight Path. And this would be Long Island Railroad coming through. The station presently is located here (indicating), although we would be relocating the station into the middle of what will be the plaza. The idea is to develop density, building upon the sewer systems that are being developed by the Town and County. The first developments will be rental. And I'll show you a plan in a minute.

The idea, however, is to use this as a springboard to generate economic opportunity and development, not just in this area, but radiating out. So we are working, for example, with the County and the Town IDA, with the Small Business Administration, looking at bringing development, bringing jobs into the Acorn corridor and the Wyandanch Avenue corridor as well as creating new opportunities of office and retail jobs.

This is a blowup of the immediate area that I showed in the center of that bullseye. The station will be developed here. This station building -- well, the application in front of you today concerns this particular building, building A, which will be a rental, mixed use, mixed income, rental property. But it is not being developed in isolation. There will be a second mixed use, mixed income property developed immediately across the park starting about three months later and then we'll be following up with a commercial building here of office and retail.

Looking at the goals for the project, to activate this area, the Town is putting in active recreation in here (indicating). There will be ground floor retail. There will be encouragement of a walkable community and a sustainable development. So the building itself will achieve LEED silver as a minimum. The features that we are putting in really benefit the tenants. We'll be using very energy efficient central air conditioning systems that will save money for the residents of the building. All of the appliances will be Energy Star. The water recycling for the landscaping will reduce the burden onto the Town. So it is a well thought-out planned community that will holistically work among the buildings and then generate development out from there.

This is a rendering of building A that you have in front of you. It is a five-story building, four stories of residential above, one floor of retail, about 17,500 square foot of neighborhood oriented retail providing services to the commuters and the existing residents within the community, things such as banks, delicatessens, restaurants, convenient areas that work well with the influx of people here. One of the great benefits, assets in this community are the commuters that come on a daily basis now. They arrive and they park on surface parking. That will be replaced by a structured garage

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being prepared -- being developed by the Long Island Railroad and the MTA.

You have a 122,000 gross square feet, 91 units mixed income. Within your packet there are specifics that talk about the units, talk about the rents, talk about the diversity of incomes that will be served. I just have some charts that put that in visual perspective, but if you have specific questions, I can address those.

In the first building we're looking to address the needs of young professionals, young people starting out and small families. So for a preponderance of two bedrooms, 53% of the 91 units are two bedroom, 9% are three bedrooms and the balance are -- one bedroom units. All of them are handicapped accessible. There are elevators in the building. Ten percent of those will be handicapped ready so the bathrooms would be designed as such.

In terms of the incomes, we are looking at designating, as you would see on the chart -- 20% would be for households with family incomes at 50% or less of area median income for Suffolk County; 36% would be for 60% or less of area median income; 10% would be between 60 and 90% of area median income. Within each band, those units are spread across all types and all locations within the building. So there'll be a diversification of one's, two's and three bedrooms and from the second to the fifth floor.

33% are designated as -- what we label as market. There isn't an income restriction, but in the chart you can see a measure of affordability of rents that we look to charge; will be much less as a measure of income compared to where the 50s, 60s and 90% units would be designated. These would still be well affordable to families and households with incomes below 120% of AMI. So while we are not setting those as income restricted, all of the units developed would fall within the workforce housing goals that you have for the program.

A project like this is difficult to put together from a financial perspective. As Jennifer indicated, we -- we applied on a competitive basis for 9% low income housing tax credits with the State and State low income housing tax credits. We were fortunate enough to be awarded those in December and are moving forward. We have a commitment from Capital One to be both a lender and the buyer of the tax credits. Hudson Capital will be syndicating those tax credits.

Also within the mix would be private equity from the Albanese Organization and a second mortgage from the State Housing Trust Fund, and then the component that we are asking you for, which is the Suffolk County infrastructure. While it is the smallest component, it is being leveraged and that is attracting the other monies that are going in. And it's the small piece that completes the puzzle. Without that, we would have difficulty demonstrating to the State that there is a local commitment here as well despite all of the infrastructure that has gone in in terms of the specific vertical component of the capital structure; very important to show the infrastructure work. The infrastructure monies will go for grading sidewalks for the park for the residents, surface street lighting and lighting on the parking garage -- excuse me -- parking lot.

That's a very quick overview. I can take any questions you have with respect to the project or its financing.

#### **CHAIRMAN CALARCO:**

Great. Thank you very much. I'm going to ask you just a couple of questions and then I'm going to open it up to my colleagues, who I'm sure probably have some questions. What is the total -- and the reason you're before us is because we have a resolution on the calendar today to appropriate some funding out of our Workforce Housing Program for this. So what is the amount that the County would actually be in -- are you asking from us?

**MR. ARIDAS:**

We're asking for up to \$1.725 million on a project of 36.9 million.

**CHAIRMAN CALARCO:**

Okay. Great. And you said that money's going to be used specifically for infrastructure for parking needs; is that what you said?

**MR. ARIDAS:**

It's grading for the site. It's the sidewalks, the lighting, the parking in the back for development of the underground drainage so that we can have that recycling of the water for landscaping. So it's everything on surface and below.

**CHAIRMAN CALARCO:**

Okay, great. Is there any questions? Legislator Kennedy, we'll start with you.

**LEG. KENNEDY:**

Yes, thank for being here, sir. I guess my question is -- I don't know if it's so much for you, sir, or if it's for Division of Real Estate, in that I just want to make sure that the improvements you've identified actually are within the scope of what's allowable under the affordable housing capital project.

Jill, when we've done this in the past, in Copper Beach, our contribution went to low grade drainage and things along those lines. I'm wondering, you know, street lighting and surface lighting, while it's necessary for a project, you know, when you look at the PPU, the probable useful life on them, I don't know that electrical fixtures spins out that far. You've looked at it.

**DIRECTOR ROSEN-NIKOLOFF:**

Oh, certainly, yes. And Copper Beach was funded under a different program. That's the Land Acquisition Program. This is a specific Capital Program for infrastructure. And all of the items that George has enumerated are covered under the program.

**LEG. KENNEDY:**

So then what's the length of the bond?

**DIRECTOR ROSEN-NIKOLOFF:**

30 years.

**LEG. KENNEDY:**

We're going to get 30 years?

**DIRECTOR ROSEN-NIKOLOFF:**

This will be --

**LEG. KENNEDY:**

Okay, now I'm going to go to Counsel. We're going to get 30 years off of sidewalks and parking lot lighting?

**DIRECTOR ROSEN-NIKOLOFF:**

Well, let me rephrase that because I really don't want to do -- talk about the length of the bond. I will say that the affordability period is 30 years. And generally that's tied to the length of the bond. But even if the bond is for a less period of time, the period of affordability will be 30 years.

**LEG. KENNEDY:**

Meaning that the covenant, if you will, that's on this project, that the developer has to keep a certain

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number of the units in this schematic he's given us will -- will hold?

**DIRECTOR ROSEN-NIKOLOFF:**

Yes. There will be covenants and restrictions filed against the property.

**LEG. KENNEDY:**

Okay. And so the CNRs are going to have a 30-year life to them?

**DIRECTOR ROSEN-NIKOLOFF:**

Correct.

**MR. ARIDAS:**

If I may, the income restriction covenants with the State are even -- are beyond the 30 years. They're 40 years for the --

**LEG. KENNEDY:**

Tax credits and the other things?

**MR. ARIDAS:**

Yes.

**LEG. KENNEDY:**

Okay. Tell me a little bit, sir, about the -- thank you, Jill. I appreciate it. Tell me a little bit about the organization itself. You were the successful bidder, but -- and forgive me, I should probably know this, but what other projects have you done?

**MR. ARIDAS:**

On Long Island, we have been very involved in Nassau County along the Franklin Avenue corridor, commercial properties. One of those properties, for example, is 1001 Franklin, which was the first LEED certified office building on Long Island. We -- that was -- it was built in the '50s by another developer. We took it down to the steel and reconstructed it.

In New York City we've developed the first LEED gold office -- excuse me -- LEED gold residential tower in Battery Park City, the Solaire. We followed that with the first LEED platinum The Verdesian and the first LEED platinum condominium The Visionaire. The Albanese Organization was the first developer to develop along the 6th Avenue Chelsea corridor in New York City. We developed an 80/20 affordable housing unit using State tax exempt bonds. 80/20 is at the 50% of area median income level. And that's a 300 unit mixed use property.

**LEG. KENNEDY:**

Okay. So you've -- a project of this scope is not new to you. You've done similar types of projects, even larger?

**MR. ARIDAS:**

Yes.

**LEG. KENNEDY:**

You're on schedule. You bring them in so that they're, you know, developed within budget.

**MR. ARIDAS:**

Yes.

**LEG. KENNEDY:**

All the imports --

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**MR. ARIDAS:**

Yes. And the firm has been around for almost 70 years.

**LEG. KENNEDY:**

Okay. Prevailing wage and approved apprenticeship program language, how do you hire?

**MR. ARIDAS:**

We are engaging in the first source agreement. That will be part of a development agreement with the Town. We have been negotiating directly with the collective bargaining units and we have an apprenticeship hiring program through the first source in cooperation with the Town.

**LEG. KENNEDY:**

Do you have a PLA on the project?

**MR. ARIDAS:**

We do not have a PLA. We started on a PLA, but it was easier to go directly with the individual collective bargaining units.

**LEG. KENNEDY:**

Okay. I'm going to yield.

**CHAIRMAN CALARCO:**

Legislator Montano.

**LEG. MONTANO:**

Thank you. Good morning, sir, how are you?

**MR. ARIDAS:**

Good morning. Thank you.

**LEG. MONTANO:**

Yeah, I just had a couple of questions. First, with respect to the Capital Project, Jill, or anybody, how much is in that Capital Project? And I didn't get a chance to review it so could you just give me a quick description?

**CHAIRMAN CALARCO:**

Jill, you might as well come right up to the table.

**LEG. MONTANO:**

Yeah, why don't you have a seat?

**CHAIRMAN CALARCO:**

I think you're going to be up here a few times.

**LEG. MONTANO:**

Put her on the record. I think that's project, what? 61 --

**DIRECTOR ROSEN-NIKOLOFF:**

6411.

**LEG. MONTANO:**

6411. Which -- how much in there now?

**DIRECTOR ROSEN-NIKOLOFF:**

Originally 15 million was appropriated. We have expended four million -- \$4,816,000 approximately on five developments. So we have a balance of about about ten million.

**LEG. MONTANO:**

Okay. And that's in this year's -- this year's allocation, right?

**DIRECTOR ROSEN-NIKOLOFF:**

That's based upon prior years' allocation -- appropriations.

**LEG. MONTANO:**

Is this the fund that we had -- that we had in use for a while? Is this the same fund? You know what I'm talking about, right?

**DIRECTOR ROSEN-NIKOLOFF:**

Yes. Yes. And we've been pretty diligent in identifying suitable developments and getting shovels in the ground and utilizing the program.

**LEG. MONTANO:**

Okay. With respect to the project -- I'm looking at it there. It's going to be on Straight Path Avenue? I have to hold mine, but you can hit yours once.

**MR. ARIDAS:**

It will border on Straight Path. The actual address and the entrance will be on a new street being developed adjacent to the park.

**LEG. MONTANO:**

Which park is that? I forget the name of it.

**MR. ARIDAS:**

The park doesn't have a name as yet.

**LEG. MONTANO:**

Is that near the street near {Mount} Avenue? Is that Mount --

**MR. ARIDAS:**

No, that's Geiger Park.

**LEG. MONTANO:**

Okay.

**LEG. HORSLEY:**

It's a new park.

**LEG. MONTANO:**

Okay. Now what's there now, sir? Is it all abandoned or is it --

**MR. ARIDAS:**

What's there now?

**LEG. MONTANO:**

What's there currently?

**MR. ARIDAS:**

Surface parking lots for the railroad.

**LEG. MONTANO:**

Okay.

**MR. ARIDAS:**

A small shopping center that was acquired by the Town and is coming down. We have been negotiating with four of the prior --

**LEG. MONTANO:**

You can sit down. Because I think she needs to take that on the record.

**MR. ARIDAS:**

So it's primarily -- right now the use is surface parking for the commuters. And a small retail strip that has been vacated and will be demolished by the Town to assemble the land for the first building.

**LEG. MONTANO:**

Is that the shopping center north of the tracks?

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

That's the existing shopping center that's there now. The Town has purchased that?

**MR. ARIDAS:**

The Town has purchased and vacated that. We have been in discussion with four of the retailers or who were in there to come back. They've expressed an interest and we would like to have them back because this is part of the commercial fabric and part of the community fabric.

**LEG. MONTANO:**

Okay. And with respect -- because you have a five-story structure there.

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

And I'm not aware that there are any tall structures in that area at the moment; am I correct in that?

**MR. ARIDAS:**

Correct.

**LEG. MONTANO:**

All right. Do you need -- have you already gotten the change of zoning for the height of the building? Has all of that been approved?

**MR. ARIDAS:**

This is being developed under the formative base code and master plan that the Town had put together. So we don't need any variances from the code that was adopted. The bulk, height and use guidelines were developed by the Town and adopted as part of the master plan for the Wyandanch Rising.

**LEG. MONTANO:**

All right. So, you don't need any zoning right now?

**MR. ARIDAS:**

No.

**LEG. MONTANO:**

And for this particular site, there's not going to be any displacement of existing residents; is that correct?

**MR. ARIDAS:**

Correct.

**LEG. MONTANO:**

Okay. And you've said in your proposal that there's going to be a second site also developed.

**MR. ARIDAS:**

Correct.

**LEG. MONTANO:**

Would that require displacement of residents?

**MR. ARIDAS:**

No, that will not. That will be developed upon land that is being swapped between the Town and the Railroad.

**LEG. MONTANO:**

So all of this is on vacant land is what you're saying?

**MR. ARIDAS:**

Right, vacant land used as parking. That parking will be restructured into the structured lot that the Railroad is providing.

**LEG. MONTANO:**

Now, the -- the subsidy -- first of all, you talked about the -- I think you said 60% affordable housing?

**MR. ARIDAS:**

Sixty percent.

**LEG. MONTANO:**

Okay. Is this going to be through Section 8 vouchers or something of that nature?

**MR. ARIDAS:**

No. The income levels here are higher than Section 8. They are within -- the income levels by unit are shown in the handout that I gave you.

**LEG. MONTANO:**

All right. I didn't open the handout, but I -- I read somewhere that it was 90% of something; is that income level?

**MR. ARIDAS:**

Ninety percent of area median income are for 10% of the units.

**LEG. MONTANO:**

What is the area median income?

**MR. ARIDAS:**

Area median income for a family of four would be \$105,000 adjusted for the -- for the family size, if I can look at my sheet.

**LEG. MONTANO:**

Why don't you tell me what page to go to.

**MR. ARIDAS:**

About six pages in. The chart looks like this (indicating).

**LEG. MONTANO:**

Okay. I think -- I think I have that. So --

**MR. ARIDAS:**

So the --

**LEG. MONTANO:**

But just run me through without going through the complicated stuff, the rental units, you said, 10% are going to be at the 90% rate. So how much is the unit -- how much is a two-bedroom unit there?

**MR. ARIDAS:**

Two-bedroom unit at that level would be \$1625 a month.

**LEG. MONTANO:**

That covers 10%.

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

What are the other -- break down the other rentals so I --

**MR. ARIDAS:**

On a two-bedroom between -- up to 60% of area median income would be \$1386.

**LEG. MONTANO:**

Okay.

**MR. ARIDAS:**

Up to 50% would be \$1147. The unrestricted is planned at \$1900 a month. And that 1900, if I may, that would be a rent that's only 24% of the income for someone earning 100% of area median income. So if 30% is usually taken as the guideline, we're below what that burden would be.

**LEG. MONTANO:**

And to fill these units, it's -- you're going to rely on the Long Island Housing Partnership? Is that how the tenants are going to be selected?

**MR. ARIDAS:**

Well, for the income restricted, there is a -- an advertising regiment that needs to be followed and approved by the State. And then there is an application Long Island Housing Partnership will be receiving that, will be checking the information and interviewing the perspective tenants.

**LEG. MONTANO:**

Will there -- will there be a preference afforded for local residents?

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

Okay. And who's going to administer that? The Long Island Housing Partnership?

**MR. ARIDAS:**

Partnership, yes.

**LEG. MONTANO:**

All right. Now, it's a \$32 million project?

**MR. ARIDAS:**

Thirty-seven.

**LEG. MONTANO:**

Thirty-seven.

**MR. ARIDAS:**

37.9 million.

**LEG. MONTANO:**

And the 17 -- the 1.7 million that the County is allocating, that's going to be used, you said, for infrastructure, for streets, for lights, etcetera?

**MR. ARIDAS:**

Yes. Sidewalks for the drainage underneath for grading the site, yes.

**LEG. MONTANO:**

Okay. What would happen if you don't get that -- this 17 -- 1.7 million, what does that do to the project?

**MR. ARIDAS:**

It puts an additional burden on the developer to see whether or not they can go forward with the bank and with the investor. The tax credits have been maximized. The State -- second mortgage has been maximized. And, quite honestly, when we had shown the capital stack to the State, we had shown the commitment from the local in terms of both the infrastructure going in by the Town and County as well as the application we were going to be making.

**LEG. MONTANO:**

So what I'm interpreting -- I'm not putting words in your mouth -- what you're saying is that if you don't get the 1.7 million, it jeopardizes the project?

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

And the project -- is the project feasible without the State and County economically?

**MR. ARIDAS:**

Economically it is not feasible.

**LEG. MONTANO:**

Why is that? How much --

**MR. ARIDAS:**

The basis of the capital structure is the State and low income housing tax credits. So if you don't have the reduced rents, you don't have that capital structure. But once you reduce the rents and hold that affordability for forty years, you limit the amount of debt that you can support, and operations that you can support. So it becomes a balance. It's not just the 1.7 million. It's how all those pieces interact.

**LEG. MONTANO:**

The total package is what you're saying.

**MR. ARIDAS:**

Right.

**LEG. MONTANO:**

And I don't want to belabor this because there'll probably be a lot of questions on Tuesday. Now I'm looking at the back here. It says that the land is being transferred from the Town of Babylon to a Town-controlled entity Wyandanch Rising, Inc, which will be the fee owner. What does that mean?

**MR. ARIDAS:**

The Town has created a local development corporation, a non-profit to own the land. They control it. There's a 100 percent conformance between the Town and the membership of Wyandanch Rising, Inc. The attorneys for the Town wanted a development lease rather than transferring fee immediately so they created this intermediary to hold the fee -- the ownership of the land until the building is completed.

**LEG. MONTANO:**

Can you explain to me in a, you know, a generic sense why that's necessary? If you know. You may not know.

**MR. ARIDAS:**

I can tell you why they thought it was necessary. We don't it's necessary.

**LEG. MONTANO:**

Why don't you tell me why they thought it was necessary because I'm not sure I understand why it's necessary.

**MR. ARIDAS:**

In an instance where you have -- if you're the public entity and you have a lease with the private developer, and the private developer defaults, it is easier to take back that land if it is a lease than if a fee has transferred to the owner -- to the developer. So, the Councils for the Town felt that belt and suspenders, it would be better to have a development lease that automatically rolls in to transfer of the land when the building is completed.

**LEG. MONTANO:**

So when the building is completed, who is going to be the ultimate -- the ultimate transferee of the -- who's going to own the property? Who's going to have fee simple or whatever you want to call it?

**MR. ARIDAS:**

Fee simple on land and ownership of the building will be the WR Communities, a LLC, which is an entity controlled by the Albanese Organization and by the tax credit investor. So it'll be a development controlled entity; fee simple, something that you would normally recognize once

development is over.

**LEG. MONTANO:**

And that phrase you use, tax -- the last phrase?

**MR. ARIDAS:**

Tax credit investor.

**LEG. MONTANO:**

Who is that?

**MR. ARIDAS:**

That's Capital One Bank. They're buying the tax credits. The way a tax credit equity works, the Federal Government --

**LEG. MONTANO:**

It's a tax shelter, but now you're going over my head --

**MR. ARIDAS:**

Okay.

**LEG. MONTANO:**

Over my pay grade. I don't want to discuss that now. Okay, you're going to be here on Tuesday assuming this gets out of Committee, right?

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

Okay. All right. I'll hold all the questions until another time. Thank you.

**CHAIRMAN CALARCO:**

Okay, Legislator Cilmi.

**LEG. CILMI:**

Thanks, Mr. Chairman. Thanks for your presentation. I do want to discuss it now.

**MR. ARIDAS:**

Okay.

**LEG. CILMI:**

It's probably over my pay grade, too. (Laughter) But I'm looking at -- I'm looking at the chart that you provided entitled permanent capital sources.

**MR. ARIDAS:**

Yes.

**LEG. CILMI:**

And I see that over 56% of the capital sources that you're utilizing here are in some way public money. You have County money, New York State subsidy. Then you have Federal and State tax credits. So if you could -- and then you have, by the way, the land transfer. How much -- how many acres is this?

**MR. ARIDAS:**

This particular site is 2.7 acres, something like that.

**LEG. CILMI:**

And is the Town transferring this property to you without cost?

**MR. ARIDAS:**

\$400,000. \$390,300.

**LEG. CILMI:**

Okay, so you're paying -- and is that market value for the property?

**MR. ARIDAS:**

It's probably over current market value.

**LEG. CILMI:**

Okay. So -- so you have these four means of capital resources. Obviously, the Suffolk County infrastructure funds would be, I guess, it could constitute a grant or a subsidy. The New York State subsidy, I guess, is -- in other words, there's nothing that -- there's nothing that you would give back to -- other than the tax revenue that's generated from the property, there's nothing that you would give back? It's not a loan.

**MR. ARIDAS:**

The --

**LEG. CILMI:**

So I guess my question -- I'm sorry. My question is could you -- could you specifically speak to the Federal and State tax credits how they work in contrast with the New York State subsidy and the Suffolk County infrastructure funds?

**MR. ARIDAS:**

The easy ones, the New York State subsidy is a 1% second mortgage, which we pay debt service current. And then there's a balloon at the end of the 30 years. I believe that the monies from the County --

**LEG. CILMI:**

That's the 5%. That's the 5% number that we're talking -- 5.7%.

**MR. ARIDAS:**

5.7%, yes.

**LEG. CILMI:**

Okay. So that money you're paying back to the State?

**MR. ARIDAS:**

Yeah, that's the money we're paying back.

**LEG. CILMI:**

Okay.

**MR. ARIDAS:**

The 4.6%, I believe, we pay back at the end of the regulatory period, the 30 years. Right. That's a balloon that comes back to the County.

**LEG. CILMI:**

Yes. Okay.

**DIRECTOR ROSEN-NIKOLOFF:**

Yes.

**MR. ARIDAS:**

The tax credits within the IRS code to promote affordable housing, the tax code permits the creation of a tax credit that an investor can take over a ten-year period based upon a percentage of the permitted costs of a development. A 9% credit is 9% of the permitted costs. So what then happens is the present value of that 10-year deduction is what's invested by, in this case, Capital One is the investor. So they receive a benefit on their taxes for a ten-year period. We guarantee them -- guarantee to them, that we will operate the building in conformance with the requirements for a 15-year period. We guarantee them 15. We guarantee the State 40. And they use -- we use their 2013 money and they take a tax credit against their income between 2015 and 2025. That's on the State side and on the Federal. So it is not -- it's not -- it's not a State grant. It's a credit that the investor takes on the taxes.

The mortgage we guarantee. And the developer equity we guarantee. So there's cash in the deal and there are mortgage obligations as well as guarantees to operate it in accordance. So it's not as if, if we change our mind, we can do whatever we want. We would get sued by the tax credit --

**LEG. CILMI:**

Right.

**MR. ARIDAS:**

-- because we've guaranteed that for that period --

**LEG. CILMI:**

Okay. So I'm looking at the costs of each of these types of units, and the percentages of one bedroom versus two versus three, etcetera and the targets for median income. What sort of research went into -- went into your proposal here that would -- that would -- that would sort of convince us that there is, in fact, a market out there for 91 units in this building?

**MR. ARIDAS:**

We engaged a professional marketing firm from the list of qualified market research people that the State puts together. So it wasn't someone we went out and said "this is what we wanted to say." They did an in-depth market research for demand at the various income levels and household sizes in what they defined as the primary market area, which included the Town of Babylon, southern parts of Town of Huntington, a little bit over into Nassau and a little bit on the South Shore into the Town of Islip. And there was a pent up demand that exceeded all of our expectations as a measure -- as a measure of capture rate. They say if something comes in under a 20% capture rate, that's a good market.

What they were getting for the probable market area for our rents and our project were in the 3 to 4%; so considerably lower than what they would say would be a good market area -- a good market risk. So there -- from this third party -- and we've shared that with the State and they evaluated that before they granted the credits. And we shared that with the lender who evaluated it before they committed the loan.

**LEG. CILMI:**

Any idea where their sample came from and how many they sampled?

**MR. ARIDAS:**

They sampled 24 properties in that area. They did physical inspections. They walked it. And they also looked at the census data and the demographics. So they were boots on the ground looking at the properties in the area.

**LEG. CILMI:**

Okay. But what about the people in the area? In other words, was part of their research at all directed at folks who would actually live in these 91 --

**MR. ARIDAS:**

Did they do focus groups?

**LEG. CILMI:**

I mean are people -- I mean how do you know that people -- other than looking at comparables and, you know, occupancy rates in those areas, how do we know that folks are going to want to live in a -- in a, you know, in a four-story building at -- you know, with the -- with -- five-story building, you know, with the rents that you've proposed?

**MR. ARIDAS:**

There -- in terms of leading up to this, there were public hearings held by the Town. There was an open forum for people to come in and talk about what they wanted to see. We have done work on Long Island on residential. And I've spoken to people and have presented similar types of projects; some that didn't go forward, but there was great demand for transit-oriented development affordable rentals. And by affordable, I don't necessarily mean income restrictive. It's just such a dearth of modern rental apartments that young people can move and find on Long Island. So that's what makes us confident of it.

**LEG. CILMI:**

At the deference of the Chair, I see a young lady at the podium. Through the Chair, may I ask her --

**CHAIRMAN CALARCO:**

Sure.

**LEG. CILMI:**

It looks like she wants to say something about this question.

**MS. PUGH:**

Yeah, I do. Good afternoon. Vanessa Pugh. I'm Deputy Commissioner for Economic Development and Planning. And the -- part of the way that the information was derived to establish the number of units, and even the placement of the buildings, was through a very extensive public planning process, which began in 2002, culminated with the Town of Babylon adopting the Wyandanch Rising Hamlet Plan. And during that planning process, it was the community that actually identified the start of the area where they considered to be their downtown and the types of buildings and living accommodations as well as recreation and other amenities that they thought would be suitable to revitalize their downtown. So as much as it's data and research, it also reflects the wishes and the goals of the community.

**LEG. CILMI:**

Thanks, Vanessa. That does -- that definitely adds context. She's with the County. Right, Vanessa, you're Deputy for the County?

**MS. PUGH:**

Yes, I am. Thank you.

**LEG. CILMI:**

Right. Vanessa, I'm sorry, had you been with the Town previously of Babylon?

**MS. PUGH:**

Yes, I was with the Town of Babylon from 2007 until 2012. And prior to that I worked for Sustainable Long Island, who actually was the Town of Babylon's not-for-profit partner in doing the visioning and completing the hamlet plan.

**LEG. CILMI:**

Right. So you were knee deep in this. So you have a very good comfort level that -- that there will be occupancy in these units and that they are affordable in the true sense of the word affordable.

**MS. PUGH:**

They are affordable in the true sense of the word affordable. And the fact that they are expected to meet the LEED standards, which is a requirement. We know that that will also make the units even more affordable in the long term.

**LEG. CILMI:**

Would you expect based on your research -- and feel free to comment if you wish -- that the folks who rent these units, do you think they'll come from -- are they presently renting in, maybe, illegal apartments in the area? Are they coming from another area? Where do you expect that those tenants to come from?

**MS. PUGH:**

I'm sure that George may have some data on this, but we expect that it will be a combination. It will be people who are already present in the community, people who have an interest in downsizing, young professionals who would appreciate the convenience of living in walking distance proximity to public transportation. We think it will be a mix of all of those.

**MR. ARIDAS:**

I also think that there'll be a mix. I think that there is a pent up demand. There are people who are living doubled up or living in basement apartments. And there is new housing formation and we have one's and two bedrooms. So, over the course of the next few years, as we advertise this, we expect a significant demand for both buildings.

**LEG. CILMI:**

And do you also have -- do you also perceive that same pent up demand for the retail space? You have 17,500 square feet of retail space.

**MR. ARIDAS:**

The retailer's a little bit of a challenge. We think it's important because it creates activity. One of the reasons we're doing the third building as a commercial is we'd like to have daytime demand for the retail as well, but there are 1500 commuters a day that come through there. So if we target it properly with service and restaurant and coffee shops and things of that nature, there was 12,000 square feet or 13,000 square feet that was taken down and was performing well. So, I don't think it's the same pent up demand as on the residential, but I think a transit oriented, well-designed project will attract retailers.

**LEG. CILMI:**

Okay. So my last question, and then I'll yield is, looks like the capital -- the total capital costs that we're talking about here on one of these pages is close to \$37 million. As I said, something more than 56% of that is public money. So 18 -- 18 million plus, given, you know -- given our laws with respect to public money and development, I just want you to reiterate for us your discussions with the trades and what commitments you actually have, if any, with them.

**MR. ARIDAS:**

The commitment we have is to do the project as a union job. And our construction bids from our subcontractors are based upon union discussions between the union representatives and the subcontractors that we would use.

**LEG. CILMI:**

Okay. Thank you very much for the information.

**CHAIRMAN CALARCO:**

Mr. Chu, did you want to add something to that?

**COMMISSIONER CHU:**

Sure. I could add some clarity to an extent. You know, I can speak to the time in my capacity when I was with Babylon, my involvement with the initial RFP process for this job. I'm actually the one who crafted the language that, you know, required negotiations with the Nassau/Suffolk Building Trades Council, which was followed by Albanese and negotiations. And in my capacity as Labor Commissioner, I was asked early on due to my position, as well as my knowledge of the project, I was formally requested by the Town of Babylon to facilitate, you know, labor negotiations on this project.

I can't speak to specifics of the negotiations, but I can -- I can say on the record that those negotiations have been going on and I can say that -- I will state on the record that Albanese Organization has been negotiating in good faith and conversations are continuing. And as Mr. Aridas has expressed, we've had -- we've had that commitment expressed from the highest levels of organization, including the principals, that -- a commitment to making sure those negotiations yield work for the union trades.

**CHAIRMAN CALARCO:**

The list is growing as you're speaking. Let me just get to the -- real quick on that issue. And maybe I can ask the questions that everybody else is looking to have answered regarding the trades. So you are actively working with Albanese to help facilitate the negotiations between them and the various unions, the various locals?

**COMMISSIONER CHU:**

That's correct. I've been in continual conversations with both -- initially Nassau/Suffolk Building Trades and now the individual affiliates as well as the Albanese Organization.

**CHAIRMAN CALARCO:**

When was the last time that you folks all met with any of those specific trades?

**COMMISSIONER CHU:**

I had -- I can say the last time I had a specific trade in my office was in -- was it yesterday or two days ago? The last time I had conversations with representatives of Albanese was the end of last week. And I know they've been in continual conversations with the contractors as well as the affiliates.

**CHAIRMAN CALARCO:**

When do you anticipate reaching some sort of closure agreement with those entities? And when do we anticipate going to -- maybe this is a better question for George, but when do we anticipate putting a shovel in the ground should we approve this money today or next Tuesday?

**MR. ARIDAS:**

With respect to the second question, we would be ready to start construction as soon as the Town

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can turn over the land. That's part of the closing process. Our design is complete and our financing is in place. We are anticipating now a late May/early June construction start.

With respect to where we are in that process, we have sent out for bid construction documents. We have received proposals back from a number of subcontractors within each trade group. And I will tell you that every one of those bids is predicated upon collective bargaining union contract union workers. We have no -- no bids back that anticipate not using union labor.

**CHAIRMAN CALARCO:**

Okay. I think that answers my questions. But Legislator Browning?

**LEG. BROWNING:**

No.

**CHAIRMAN CALARCO:**

No? You pass. Legislator Horsley.

**D.P.O. HORSLEY:**

Yeah, hi. Just quickly, some of this might be for Vanessa as well. But, Sammy, just quickly, for the record, then, there's a commitment by the Town, by the Albanese group that these are going to be a hundred percent union jobs.

**COMMISSIONER CHU:**

I have to speak within the confines, you know, I can't make a commitment on behalf of the Town.

**D.P.O. HORSLEY:**

Fair enough.

**COMMISSIONER CHU:**

I can't speak for the Town. I could speak to the task that I was given by the Town that I was asked -- the official capacity I was asked to act in --

**D.P.O. HORSLEY:**

Right.

**COMMISSIONER CHU:**

-- which was to facilitate whatever needed to be facilitated to make sure that there was a labor piece on this project.

**D.P.O. HORSLEY:**

Good. Could I speak to Vanessa for just one second? Okay. First of all, I understand that the -- that part of the negotiations -- not talking to Sammy now -- that part of the negotiations have involved working with community members through -- in assistance to train local -- local workforce. Could you speak to that?

**MS. PUGH:**

Yes. So as part of the visioning and planning process, one of the goals that was identified by the community was an opportunity to provide obviously employment opportunities for residents of the community. And in an effort to advance that goal, in 2009 the Town opened the Wyandanch Community Resource Center. And out of that location, the Town of Babylon in partnership with the Nassau/Suffolk Building Trades ran two programs: One called Builds on Pride, which is a pre-apprenticeship training program; and the other I can't remember the name of.

**D.P.O. HORSLEY:**

It's okay.

**MS. PUGH:**

It was -- it was a cornerstone, which was a mirror program except for women interested in the construction trades. And the idea all along has been that those people who completed the program would have an opportunity to some extent be able to work on the development that was taking place in their community.

**D.P.O. HORSLEY:**

Thank you. And I appreciate that being added to the record. Sam, did you have something to add on that? And then I got another question for Vanessa.

**COMMISSIONER CHU:**

I was just on the phone with the Town of Babylon attorney this morning after the -- as far along -- I can't speak to the particulars agreement because it's not signed, but the final draft of the agreement was reached because the Town of Babylon signed off on all the last minute changes by the Albanese Organization's counsel. And I'm actually -- this is something I'm very glad to say -- is there's a principal agreement that -- in place once executed which I think will be probably within the week now that the ink is dry --

**D.P.O. HORSLEY:**

Would it be before Tuesday?

**COMMISSIONER CHU:**

I think -- I think it could be. I don't see any reason why it couldn't be.

**D.P.O. HORSLEY:**

You've got your eyes up in the air. You're going (indicating) --

**COMMISSIONER CHU:**

Yeah.

**D.P.O. HORSLEY:**

I know I'm throwing that at you, but Tuesday, as you know, is the -- when the full Legislature meets.

**COMMISSIONER CHU:**

Which will be the most aggressive -- aggressive Community Benefit Agreement and hiring commitment that, I think, on a project like this has really ever been done. It was very progressive. And it's something -- and this I can speak to from, again, when we were in Babylon, we want to make sure that it wasn't guidelines. It went beyond good faith, that there was actually a guaranteed commitment to creating job hours work and work hours for the community.

So this agreement lays out specific requirements with associated liquid damages for noncompliance that agree to a certain number of work hours as well as a number of hires, which is something that is just not -- hasn't been done before. And I applaud both the Town and the Albanese Organization for going that step to make sure there's a commitment to the community for those benefits.

**D.P.O. HORSLEY:**

Thank you. And also I'd like to ask you about in -- generally speaking, when these commitments with the trades are made, is there a timeframe in which they usually are finalized? Because I was looking at -- we're putting together today one of the pieces of the financing. Is it usually done after the financing is put in place? Or is it usually the signed agreement prior to -- what is the usual

timeline, you as a labor specialist?

**COMMISSIONER CHU:**

You know, I could speak to it a little bit, but I'll also yield to George if he wants to fill in. You know, they're at the point where they have -- you know, they have bids out, they received bids, you know, and they're going to go through the negotiation process. But I think -- and I'll leave it to George but I think it's a precarious position to be in if you're not sure what the financials of the job we're looking.

**D.P.O. HORSLEY:**

That was the point I was asking.

**COMMISSIONER CHU:**

And with the financing as tight as it is -- I mean this is something from the beginning of this project that's been -- something that needed to be addressed, which was -- it was area that would have been easy to leave untouched because the financial challenges to developing downtown Wyandanch were very, very high before the economic recession. Then we had economic recession that compressed the, you know, the property, that compressed, you know, financing limits. And, you know, this has been a mission where -- whether it's speaking to developers, whether it's speaking to financial institutions, whether it's working with the State, working with this Legislature, working with other external organizations and the building trades and community organizations, has been a heavy lift for everyone to get where it is. And we're in challenging times. And I think it's -- we're on the precipice of what's -- what could have been considered a miracle before, so much work had been done. So, I think this is a really important component of that because every dollar counts at this point.

**D.P.O. HORSLEY:**

Right. And I think that answers my question. Vanessa, may I ask you a quick question? You know, something that maybe hasn't been brought to the attention of this Committee, the -- this is one project -- \$36 million worth of one project. Could you just give the scope of the amount of dollars we're dealing with in totality of the Wyandanch Rising project so that we have an idea of how many peoples would be put to work, how many peoples would this affect, how this would revitalize an entire community and the concerns that this would bring forth if we table this today, would you tell us that?

**MS. PUGH:**

So in context the estimated full build out for all phases of development, would be roughly \$500 million. And so where we are now and what we consider the first phase with the developer in process now for two buildings, that portion being roughly 78 million; but against that you have the Town's commitment with the County's help for the sewer infrastructure; you have a \$10 million park renovation in progress now just yards away from the train station at Geiger Lake Park, that's a 24, 25-acre park currently in development; you have the construction of a new train station, a pedestrian bridge to connect the train station to the south -- just south -- south of the tracks onto what we call the great lawn; you have another roughly 1,000 units that are expected to go in over what we believe could be a five or ten-year period as part of the overall development.

So for the big picture -- not that this is a small part, but these are the first steps necessary in order for us to make the leap into the total revitalization of that community. And what shouldn't be missed is the Long Island Railroad's commitment to build the parking garage adjacent to these first two buildings right at the train station.

**D.P.O. HORSLEY:**

And that would a contract by the Railroad and that would be a union contract as well.

**MS. PUGH:**

I don't want to speak for the Railroad --

**D.P.O. HORSLEY:**

Go ahead.

**MS. PUGH:**

But I would assume so.

**CHAIRMAN CALARCO:**

Okay. Legislator Montano, you're next up.

**LEG. MONTANO:**

I just have a couple of quick questions. I don't want to belabor the point. Miss Pugh, Vanessa, or really anyone, you know, obviously this has generated a number of questions. As I read the resolution -- maybe Jill, whomever -- if we approve this, once it's approved by the Legislature, no further action would come back to this Legislature under this resolution; am I correct in that? I mean, once we do this, we're out of the picture.

**DIRECTOR ROSEN-NIKOLOFF:**

You are correct.

**LEG. MONTANO:**

Okay. And your project is very -- I apologize. Someone from Wyandanch. Your project is very ambitious, you know, and I have a lot of questions about the Community Benefit Agreement, if any, that was mentioned what that would entail. I'm not a big fan of these Community Benefit Agreements unless they provide substantial benefit to the community. I'm -- you're talking about doing the job 100% union, but you're also talking about jobs for the residents of the community. I'm not sure how you coalesce those two. I would like to know. And I hear what you're saying. And it sounds great, but I don't have it in front of me to analyze it and to, you know, get my arms around it. This is, you know, our one and only opportunity to address this.

My question is that if this has been going on for so long, was there not an opportunity to bring this resolution to us at an earlier date so we could have had a full opportunity to explore and to, you know, to analyze and to raise questions and possibly have suggestions?

**MS. PUGH:**

I don't have an answer for that question. But what I would like to say is that over the last, roughly, ten years, the commitment of not just the then Town Supervisor, who's now obviously County Executive Steve Bellone, New York State, the Federal Government and this Legislature, we've had a number of public discussions about the thought and deliberation that has gone into the way that this project has progressed and advanced. And at the top of that has always been that there would be a direct benefit for the people of Wyandanch. And that benefit is realized both in the opportunity for people in the community to enter the trades as apprentices. It is also in the opportunity for people to have the opportunity to work in their community.

What Mr. Aridas didn't say about the 40-acres that are part of this first phase of development is the increase in jobs and tax realized on that property, which has been underperforming for years. And that's not a secret. And so the opportunity to bring that -- bring those properties to their highest and best use have an advantage and a benefit to the people who live in Wyandanch first and foremost.

**LEG. MONTANO:**

Right, and I don't disagree with you. And, you know, that sounds all very good. What I do hear --

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you know, what I do see is that the sewers that are going in there, the construction -- the comments that I get is that the construction is slower than would be liked. It's generally a problem with any kind of construction. I understand that. No one likes to be inconvenienced. The opportunity for employment from people in the community, and quite frankly it's not a community that I'm unfamiliar with, the opportunity for jobs flowing from the proposed development is not -- you know, it appears less than expected. I won't say less than promised, because I don't know what was promised, but less than expected. And my only concern is the shortness of time in which we have to develop this. And we've already been debating this for over an hour and we still have a multitude of questions on it. So I'll leave it at that. We'll obviously take this up some more.

**MR. ARIDAS:**

Mr. Montano, if I may?

**LEG. MONTANO:**

You may. Oh, I'm sorry. George?

**MR. ARIDAS:**

Yes.

**LEG. MONTANO:**

Go ahead, George.

**MR. ARIDAS:**

I did want to address a couple of points that you made.

**LEG. MONTANO:**

Sure.

**MR. ARIDAS:**

First as to timing. We did not want to come before you until we had a clear idea as to what the infrastructure costs would be. And that's a process of design that was ongoing with the Town and in the construction site. That's the timing of why the application is before you, not to spring it on you at the last minute.

**LEG. MONTANO:**

Right. But not to be critical -- not to be critical or to interrupt, but I would assume that this just didn't happen. You've developed this awhile back.

**MR. ARIDAS:**

Yeah, we filed an application awhile ago with the preliminary numbers, yes.

**LEG. MONTANO:**

Okay.

**MR. ARIDAS:**

We were waiting, you know, the guidance from the County as to when to appear.

**LEG. MONTANO:**

Right. By the way, I understand that you don't control when something comes before us. So, it really wasn't directed at you, but go ahead, finish.

**MR. ARIDAS:**

With respect to the creation of jobs, I think, first in terms of construction jobs being available for

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community residents, that will be done within the context of collective bargaining agreements and the first source agreement. So it's not a situation where if someone's in the community, they can't have a job. It's not a question of if someone's in the community and wants a job, they won't be union. There is a direct link between the first source and entrance into the apprenticeship program.

Also with respect to creation of jobs within the community, it's not just what happens during construction, but it's what -- what changes in the image and just the context of Wyandanch as we move forward with this development. So, if I can call on Vanessa, we had -- you know, we've brought in -- Albanese has brought in as part of its partner to help us with some of these items and addressing the community; SUNY Old Westbury. And they have worked with the Small Business Administration. And we had just last week a meeting in which two manufacturers based in Brooklyn are out here looking at potential sites because of this development. So those are permanent jobs that would be created in the community.

I do not have signed leases. I don't want to give you the impression that those jobs are guaranteed, but there is, as I discussed before, the goal is to generate reverberating out from this center opportunities for employment; not just in construction and not just in retail, but technology and manufacturing. And those people were at the table last week at the resource center because of Wyandanch Rising.

#### **LEG. MONTANO:**

I really want to get off this. You're familiar -- and I hear what you're saying. My concern with respect to the Legislature really isn't directed at you. It's because of the number of questions and the fact is that the way the resolution is written, once we approve the funding, we have no further involvement in this. So we can't -- we don't know what's going to happen. We have no way of having any input into the project. And that has nothing to do with you. You're a developer. You're building a project, you know. But there are many projects that look good on paper. And I think the last one I read about, I don't where it's at now, is New Castle. New Castle was supposed to be a major development, supposed to bring in economic revival and opportunity. And the last time I check, the stores remained on empty and the project really was more of a -- well, let's just say it was less than expected. And those are the concerns that, you know, we would like to address.

And with respect to the Public Labor Agreement, there are some concerns. We're going through this similar in my district now with the Heartland project. So, you know, these are questions -- legitimate questions, I think, we have. But I don't think we have enough time to really pursue them. But I want to thank you for the, you know, for the presentation. I think it's, you know, it looks very good and we'll take it from there. But we do have some -- I do have some serious questions about some of those issues that I talked about. And I don't know that we'll have time before Tuesday to address those. That's the point that I was making.

#### **MR. ARIDAS:**

Thank you.

#### **CHAIRMAN CALARCO:**

Okay. Thank you. And I'll remind my colleagues that the hour is starting to get late. We're going to be quickly approaching the next Committee. I have another presentation on the agenda to get to. So if you could please just try to keep your questions brief and to topics we haven't covered yet.

Legislator Cilmi.

#### **LEG. CILMI:**

Yes, thanks. Just to redress something with you, George. One of the -- very simple question, I think. One of the unfortunate realities that each of us has to deal with in our districts is graffiti and other sorts of crime for that matter. So, my question to you is with regard to the maintenance of

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this building, once it's built, who gets to make sure that it doesn't become another eyesore in this community that, you know, frankly is desperate to rebuild?

**MR. ARIDAS:**

We do. We are going to manage the property.

**LEG. CILMI:**

Okay. And so your commitment from a physical point of view, from a financial point of view is to make sure that this building is kept up. And any graffiti or anything like that will be taken care of immediately?

**MR. ARIDAS:**

It's in our self-interest to do that, yes.

**LEG. CILMI:**

Right. Okay, thanks.

**CHAIRMAN CALARCO:**

Legislator Kennedy.

**LEG. KENNEDY:**

Okay. I have some of the same sense of frustration that Legislator Montano does, not directed at you. As a matter of fact, I appreciate you being here, giving us background for Albanese, and quite frankly, something that is really -- I just checked back. I mean, the first resolution we adopted with Wyandanch Rising goes all the way back to 2009. And this is just one of several acts that the County has actually taken to commit to this project.

I believe Legislator Cilmi -- one of my colleagues talked about in total we have a 35, \$36 million total investment in this project. So, quite frankly, we welcome Albanese. And I understand leveraging, but I personally am a little uncomfortable with the fact that even with this resolution, what we're doing is, is giving the Executive's Office tacit ability to negotiate an agreement, draw up something that has all the terms and particulars, and then to go other ahead and execute. And, quite frankly, if I was your lawyer and I did that, you'd fire me. I feel uncomfortable with making the commitment. Sidewalks go at a pretty standard price. You know, we deal with them all the time, as do electrical fixtures.

But most importantly, here's what the Director for Labor has basically said. Nassau/Suffolk Building Trades. They're looking for something very simple. Either the PLA, which you indicated, I guess, is not forthcoming and did not materialize, or a writing on the part of the Albanese Corporation that all construction will be union construction. A Memorandum of Intent or something to that effect certainly would help me. Because, quite frankly, until I see something of that nature, I'm not going to be able to support this resolution.

I also, I guess, want to shift to -- and now I really am going to have to look and understand, Babylon Town Code has approved apprenticeship language requirement in its Town Code for any project in excess of 100,000 square foot. So the building we're looking at is 122,000.

**MR. ARIDAS:**

Yes.

**LEG. KENNEDY:**

Okay. So then maybe just the mere fact that the law is in effect, which obviously you must be aware of or your Counsel must be aware of, if Babylon Town is going to be the owner, is that applicable? Do we know?

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### **CHAIRMAN CALARCO:**

John, I think Mister -- I think George has testified here that they're going to have a full apprenticeship program in place for this program -- for this project.

### **MR. ARIDAS:**

I did.

### **LEG. KENNEDY:**

Okay.

### **CHAIRMAN CALARCO:**

Did I hear you correct earlier?

### **MR. ARIDAS:**

Yes, through the first source process that --

### **CHAIRMAN CALARCO:**

You're going to have a full -- every job on there is going to have an apprenticeship program associated with this?

### **MR. ARIDAS:**

Yes.

### **LEG. KENNEDY:**

Would that be something that you'd be able to provide for my office in writing by Tuesday?

### **MR. ARIDAS:**

That's the first source --

### **COMMISSIONER CHU:**

It's not a public job. It's a private job. Not every trade, even union trade, will necessarily have -- so -- will necessarily have an applicable apprenticeship on this job because of the rates that they're using, being it's a private job. So, I think, yes, training programs apply here, certain cases apprenticeships. But I think I've heard very clearly from the Albanese Organization that they have procured -- the procure process has been nothing but union shops.

So, you know, not all union -- you know, union representation doesn't necessarily mean that there's registered apprenticeship. For instance, you have certain trades that have residential divisions that have been aggressive in bidding projects such as this to make sure that they can be competitive in that space that don't have registered apprenticeships associated with that structure scale. Still an affiliated union, a union shop, still an affiliated signatory, but they don't have a registered apprenticeship to that rate or to that scale.

### **LEG. KENNEDY:**

Through the Chair -- and thank you, George. I appreciate it. But, Sam, since I guess you are articulating some the specifics associated with this, let me go back to my prior question: Who's going to own this building?

### **MR. ARIDAS:**

Private developer.

### **LEG. KENNEDY:**

I'm sorry?

**MR. ARIDAS:**

An entity controlled by the private developer will own the building.

**LEG. KENNEDY:**

So it'll be private ownership with the public contribution?

**MR. ARIDAS:**

Yes.

**LEG. KENNEDY:**

Okay. Sam, are you familiar with that section of the Babylon Town Code about the hundred thousand square foot minimum?

**COMMISSIONER CHU:**

I'm not familiar with the specific code. I'm familiar with the genre of the legislation. I know it's also -- they have it in Huntington, you know, there's other places. I'm familiar with the concepts -- concept. I don't know the specific code in Babylon regarding the apprenticeship language. And it happened after my tenure there.

**LEG. KENNEDY:**

Okay.

**COMMISSIONER CHU:**

But I am familiar with it.

**LEG. KENNEDY:**

Sir, I'm sorry to continue to call by your first name. What's your last name?

**MR. ARIDAS:**

It's Aridas, but you can call me George. It's easier to say.

**LEG. KENNEDY:**

Okay. All right. Is your sense that this -- so is this permissive, basically a good-faith representation on Albanese's part, Albanese's organization? Or are you legally bound to do this?

**MR. ARIDAS:**

I do not believe we are legally bound to do it.

**LEG. KENNEDY:**

Okay. So then absent that, then that's why I'm asking, I guess, if we can get a writing that memorializes your verbal representation here today. Because quite frankly what happens at the end of the day is, is you know, they say the road to hell is paved with good intentions. We can get all kinds of verbal representations, but there's nothing really that's binding or demonstrates that there's the willingness to go ahead and implement. You know, there's many, many different slips between a cup and a lip. I personally would like to see some type of writing to that effect.

**COMMISSIONER CHU:**

Legislator, I just want to add, you know, a lot of work has gone into -- for many parties. The building trades included, the developer, the Town, this body, my office, to achieving a labor piece, labor agreements on this project. And the reason why those efforts were necessary, because I don't think that there's any jurisdictional authority including this body or the Town, or the State, or any other level of government to -- in place now to imply or levy such requirements for what you're suggesting. And I think, you know, that suggestion might actually be in violation, you know, of what we're charged to do. But I would say that there's been a tremendous amount of effort to get this

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done. And that -- I think what you're -- what you're seeking and what you're looking for, I think we have a very clear commitment from the developer on. And I know I can witness -- I can speak firsthand that, you know, I've been witness to the work that's been going in to make that what you're asking for gets achieved.

**LEG. KENNEDY:**

Well, I appreciate that and thank you. And I'm going to yield because as the Chair has pointed out, the hour is getting late. But I'm also going to restate I'd like a writing. Thank you.

**CHAIRMAN CALARCO:**

Okay. Thank you, Legislator. And I'll just add one comment because I've heard a lot of discussion about whether or not a project of this type is good for the community. And I'll give my comments based on somebody who's had three such projects taken place within the district that I represent and the community in which I live. And Patchogue Village has seen a renaissance over the last ten years. And a large part of that is because the Village has made the investment and permitted the investment for residential dwellings in their Downtown. And part of what helps spur the economic development of that area is putting people on the streets. If you want retail to exist, you got to give them customers. The only way you give them customers is by putting the residential units close to the Downtown area so people can get there without having to get in their car and travel. And that's helped Patchogue Village. It's helped -- Bay Shore Downtown has benefitted greatly from these types of projects. And I think that this will help Wyandanch as well. So I'm very supportive of the project.

So now that the presentation's over, and I think we got through most of the questions, I'm going to make a motion to take **IR 1200** out of order.

**It's authorizing funding of infrastructure improvements and oversight of real property under the Suffolk County Affordable Housing Opportunities Program and execution of agreements (Wyandanch Rising).** I think we have a typo on our agenda here. Do I have a second to take this out of order so we could get the vote over with now?

**LEG. KENNEDY:**

Sure.

**CHAIRMAN CALARCO:**

Legislator Kennedy seconds the motion. All those in favor? Opposed? Abstentions? IR 1200 is now before us.

In deference to the question regarding the Labor Agreements, and I think that hopefully by Tuesday we can some better clarity, although I think Mr. Aridas has stated that all of their bids that have come in have come from union contractors. Nonetheless hopefully by Tuesday they'll give us a little better information. I'd like to make a motion to discharge without recommendation.

**LEG. MONTANO:**

Second.

**CHAIRMAN CALARCO:**

Get it to the floor and we'll have a further discussion on Tuesday. Second by Legislator Montano.

**LEG. CILMI:**

On the motion.

**CHAIRMAN CALARCO:**

On the motion, Legislator Cilmi.

**LEG. CILMI:**

This really has nothing to do with the presentation today. It's just another issue that I have. I am inclined to support this, but I'm somewhat apprehensive, not because I don't approve of the project. It sounds like a great project. I grew up in West Babylon. I know Wyandanch fairly well. And it's a community that needs some hope and needs some attention. I approve of affordable housing. I've supported most of the affordable housing resolutions. I approve of transit orient development, I approve of the job creation here.

But what I do have a bit of a problem with is the fact that we're allocating \$1.7 million for infrastructure improvements at the same time as we continue to charge developers around the County infrastructure assessment fees to the tune of roughly 200 plus thousand dollars less than \$300,000 a year in total. And to me to say to businesses we're going to continue to charge you these impact assessment fees while we're approving, you know, \$1.8 million in one fell swoop of infrastructure improvements for this project, raises some questions. I don't quite understand where the priorities are. I mean, I understand that affordable housing is a priority. But I thought that business was also a priority. This is -- again, this is not directed at you, George. I'm know we're looking at one another but it has nothing to do with you.

So, you know, I will likely -- I'll certainly support the discharge without recommendation motion, but I would love to have a conversation with the Administration prior to Tuesday about where our priorities lie with respect to infrastructure improvements and paying for public infrastructure improvements. I think this is part of a \$5 million Capital Project. I would -- I would assert that -- and we're on the precipice of discussing our Capital Budget for next year and the following three years -- I would assert that some of that money in the future should be dedicated to mitigating the cost of impact -- public impact -- throughout the rest of the County on other smaller projects. So, that was the only point that I wanted to make.

**CHAIRMAN CALARCO:**

Legislator Kennedy.

**LEG. KENNEDY:**

I agree with the all the statements that you've made, Mr. Chairman, about the beneficial nature of projects like this. I ran an out-patient program in Wyandanch back in 1984. I'm extremely familiar with the area. I take no issue whatsoever with the nature of the development, quite frankly. I commend all the work that's been done by the Town Planners as being visionary. I know Straight Path real well. I worked out of the Martin Luther King Health Center. Nevertheless, I still have some of the same concerns we've just shared one way or the other, whether it's with you, George -- you know, we can have some conversation after this, or something to that effect. My concerns go to not so much -- it's process. It's really, really process. You know, we're approaching \$36 million in total investment here. And yet as my colleagues all know, it was only 48 hours ago we were sitting here being told we're a quarter billion dollars in the hole. So we're being asked to make the leap of faith on what we know are economic stimulators, but we -- the reso's pretty light. The reso's got nothing attached to it, no specifics whatsoever. Let's just call the vote.

**CHAIRMAN CALARCO:**

That's okay, Jill. We have a motion and a second. All those in favor? Opposed? Abstentions?

**LEG. KENNEDY:**

I'll abstain.

**CHAIRMAN CALARCO:**

Motion carries. **(VOTE: 5-0-1-0)**

**MR. ARIDAS:**

Thank you.

**CHAIRMAN CALARCO:**

We'll see you on Tuesday. Come prepared.

Okay. We have another presentation before us. We are -- Mr. Margiotta would like to come forward and Mr. Melito. I apologize. I had thought that taking Wyandanch Rising first would have been quicker. Apparently I was mistaken. If you could come forward and give us a presentation -- we had quite a bit of discussion yesterday at Ways and Means. Some of us were able to join you for your tour of the facility and what's going to be yesterday. So I appreciate you making yourself available then. If you'd like to go into it, and give us the rundown, we have 30 minutes before the next Committee starts. So I'll ask you to be brief but thorough, and I'll ask my colleagues also to try to their questions as brief as possible and take you up on that offer for the personal tour and get any further questions answered that they might need. So, if you would please, go ahead, Paul.

**MR. MARGIOTTA:**

Thank you. Thank you for having me here. Perfect. Thank you.

**MR. MELITO:**

I'm just going to jump in for a second before we get started. Before we get started, as is my want, I just wanted to make a couple of overview comments to set the stage for the presentation that we're going to get from Paul Margiotta. Just out of breath from running up to the podium. If you give me a second.

**LEG. KENNEDY:**

It's his birthday. He's old today.

**MR. MELITO:**

The telephone reception here is terrible. When you have an emergency at home and you're trying to get some information across, it doesn't work too. But all squared away.

Obviously we've spoken about this in the past. And, you know, quite frankly over the last several months my personal involvement has diminished to the extent that Paul's involvement has increased. And he has done a great job.

So I want to make some general comments, sort of review, it'll just take two seconds -- review some of the places where we've been and then turn it over to Paul and let Paul then take it from there and then we can answer any questions you have. We also have people here from DPW, if there are any questions on the facility and the build out, etcetera.

So, good afternoon. Obviously I'm pleased to be here to share with you what I believe is today's real story, and that is that the TPVA and the gargantuan effort of creating the new violations parking agency is just about complete, allowing us to probably open the doors on April 1st. As you know and as I've reported before to this Committee, the development of this agency was multifaceted and complex. It has consumed countless hours of meetings with many, many parties including New York State, people from the courts, all of our public safety groups, County Executive's Office, County Attorney's Office, etcetera over the last several months. And we're very proud of where we are at this point. We've done, you know, legal research and infrastructure research. We worked on advocacy at the State level for legislative approval. We've reviewed the physical resource requirements and most importantly the information technology needs as we've said to you in the past that the technology tools that we're going to use largely inform how the process is going to work.

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This effort was a tremendous collaboration between the groups that I mentioned as well as all the other law enforcement agencies. We're pleased at the success of working with New York State, that they've been very accommodating for us and have allowed for us to take effect on April 1st with much less consternation than we had originally thought. And I would certainly be remiss if I didn't also thank this Legislature and in particular this Committee for inputs, suggestions, support over the last several months and also listening to my longwinded explanations of what it is we have been doing.

Suffolk County residents can be proud that the agency means we're going to be increasing the number of police officers on the street rather than waiting in courts; and providing an efficient service for constituents to whom public safety and quality service are paramount value -- paramount value.

I'm pleased to report that the physical renovations to the Dennison Building are just about complete. The Department of Public Works should be applauded for their efficient -- their efficient work that maximizes efficient constituent flow and comfort. This facility development involved multiple movements of other departments and other groups to make room for the construction that has taken place. It was a very huge effort and we're just about complete.

Equally important are Department of Information Technology. This thing has been technology driven, as we have said, from the beginning. The Technology Department has worked tirelessly to ensure that officer scheduling, modules, payments options downloading e-tickets, calendar schedule organization, balancing of computer records, bank deposits, ledgers with monthly reports being sent to Albany interfaces with Albany, interfaces with the courts, closing out dismissed tickets, filing tickets, etcetera trying to make the point that there's a whole lot of stuff that has to happen from a technology point of view to make this thing successful. Training classes have been ongoing. We have made a myriad of software modifications that our Technology Department has been very instrumental in making in conjunction with the maker of the software and New York State and the court system.

Paul Margiotta now will be discussing the staffing, training and the operational plan for the TPVA. We'll be glad to answer any questions you have after that. Frankly, we look forward to several months with a successful operating environment to identify and further understand a number of the variables that you can only know once you take operation of the facility. And that would include the numbers of tickets coming in, what amount of tickets will be plea bargained, what mix of tickets will there be, what levels of the bargaining will there be, etcetera. So all of these things are going to be variables that we're going to be working very closely between the TPVA and performance management over the first several months to create performance indicators and to gain a much better understanding of how the thing will actually operate.

Getting to this point has been our goal up to know. And we are just about there. And I look forward to coming back and talking with this group and -- once we get some experience under our belts. Now I want to turn it over to Paul, who's got a little bit of a presentation on how this is actually going to operate.

**MR. MARGIOTTA:**

Thank you, Tom. Would you like me to go into some of my background and my qualifications? Or do you want me to jump right into -- jump right in? Okay.

I've given you two things: One is my vision for the website. It is my hope and my goal that we are going to be the most technological agency of its kind in the State of New York. Our website eventually will be so easy to use and so streamlined that, I believe, in years to come, people won't even have to leave their house to deal with many tickets that they might receive, depending on the type of ticket it is if it doesn't require an appearance.

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Two of the special things that are on this website or -- one is, if you see -- if you've looked at Nassau's website, it's voluminous, it has a lot of writing. You have to read the website to determine where you're going to go and what you're going to do. Ours is going to be very simple. If it's a red light ticket, you click on "red light ticket." Then it's going to say "watch it" or "pay it" or "schedule a court date." It's going to be bang, bang, bang, bang, bang. So simple for people to use. They're going to get right to the point, what they want to do, as well as with moving violations and parking tickets. There's going to be a special VPN, a Virtual Private Network for attorneys who will be able to apply for a password, be able to log into the system and schedule cases online, request plea bargains online and eventually -- hopefully if things work the way I'd like, complete transactions online.

It'll go back and forth electronically between prosecutors and attorneys. Then we submit it to a Judge for approval. And then we'll just simply tell the attorney -- they won't even have to leave their office hopefully in the future and be able to take care of some of the tickets as well as I hope that could be eventually for private citizens with minor tickets, that they don't have to take off from work or come down, we can do this electronically.

I'm going to go to the presentation. I presented with the police car in the front. If you look -- the first page is the operational format. It'll -- it shows me as the Director; Chelley Gordon, who was the Chief Deputy Town Attorney with me in Babylon. She also worked with me in the Parking Violations Bureau in Babylon. My Executive Secretary is Barbara Logan who's been with me and is also a certified paralegal, who was instrumental while I was the prosecutor in Babylon of both code violations and traffic. So she's aware of that. Plus she has 20 something years experience in the union dealing with legal matters. Joni Monteserrato, works for the Police Department. She'll be on loan to me. She has the expert in parking. She's been handling the parking in the district courts so she will just take all that expertise right over to us so we're not going to -- we're not going to lose any experience in between and have to retrain.

An accountant. We are canvassing for an accountant. I am hiring an accountant to handle the books and to make sure everything is good with the State when we send the numbers up.

Theresa Orgazon right now is in charge of red light cameras. She's the Director of Red Light Camera Safety Program. She's going to come over. I'm going to expand her duties. If I'm talking too fast, please let me know. I'm just trying to get through it for you. And she will be handling many more duties other than red lights, but she's the expert in red lights. I will be taking red light cameras, parking and moving violations. I've taken the two people who handle parking and red lights into the agency so there is no -- we're not going to skip a beat there. Those programs will keep running and will not add to any problem we have.

Proposed staffing needs: I proposed what I needed to open the doors. I was given everything I've asked for. This is to open the doors. I do not know what the future holds. I do not know how many more employees I'm going to need. There's going to be a lot of variables in this. I'm being transferred 20,000 tickets approximately from the Traffic Violations Bureau. I'm getting about 12,000 tickets, parking summonses from the District Court. And I have thousands and thousands of red light tickets. Depending on what kind of tickets these are, if these are tickets that can be plea bargained, are tickets -- the parking tickets that are simple, that some system of them that people can produce proof and be dismissed, it'll change how many people are going to come through our doors, how much staff I'm going to need.

I'm prepared to ramp up staff. I have part-timers and full-timers anticipating that while we have full-timers there, they're going to need back up by part-timers. As it gets to the point where the full-timers can't handle it and I'm filling in with part-timers, I'm going to be requesting additional full-timers to take those spots. So that we'll ramp up the staff as we need it.

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I anticipate being in full operation and getting a real idea of where we're -- where we're going to be by August. July or August we'll probably be running the way we should be running with daily tickets and making up the backlog that we're handed on April 1st.

There will be two full-time prosecutors and ten part-time prosecutors, possibly more. I don't want you to worry about how many part-time prosecutors there are because there can only be six prosecutors at a time working. I would just like to have a big bank so if I call people and they say -- this is a per diem thing -- if I call them and they say "I can't do it, I can't do it, I can't do it," I don't want to run out of people and then not have anyone to do it. So as I go down the list, I'm -- hopefully as many as I can get so people will be able to come in on short notice, depending on the calendar, if we get a lot of walk in's that day, if the police have a initiative where they do something out there and all of a sudden a return date -- I notice there's an extra 200 people on that date, I'm going to have to ramp up for that date.

Next page is financial management. It'll be -- the accountant will be at the head. Theresa and Joni will be working with him. They are both doing the parking and the red light. The account clerks and the cashiers will be handling the money coming in through the front where we have -- we have windows for people to pay, everything filtering back through the accountant and then through the Comptroller's Office.

Next page is Clerks. You're going to have Court Clerks. This is a new title we had to create because one did not exist for Suffolk County employees because we never had any kind of courtrooms under the County. Everything's under the State. The second one is -- I took account clerks rather than clerk -- just clerk typist. Account clerks are amazingly trained. They can do what a clerk typist does. They also have a training component that deals with math and numbers so we're going to be dealing with money. And I'm going to be using account clerk typists to be able to do both, input data as well as money. So they're going to be handling a lot of the payments through the mail, etcetera.

The account clerks will also be doing the financial work with the cashier. When the cashier's done, they're going to hook up with account clerk. They're going to go into a special room. They're going to reconcile their book for the day. They'll both sign off on it, put it in and it goes in the safe.

Account clerks will also be taking in the mail where we get mail payments. People will be sending in negotiable instruments through the mail for parking tickets and red light cameras and some of them for -- who had time to pay their tickets.

Data entry, you'll just see it's all clerk -- account clerk typist across the board because they will be dealing with money as well.

Next page, Barbara Logan, I explained she'll be handling all the legal matters with the attorneys and the JHO on my behalf. Madeline Silvestro. We're getting the police and supporting depositions, which is something we have to deal with, which TPB did not have to deal with. Because we're an arm of the District Court, we have to provide supporting depositions, which is just a legal requirement at trials. Carolyn Alles will be handling attorney conferences, JHOs, prosecutors and scheduling.

Most importantly the last is the customer experience. This is, what I assume, everyone will be most interested in. This is what will happen with the person who comes in the door. We're considering them a customer, preparing this to run as a retail establishment. We're providing a service. These are our constituents. These are our citizens. These are not criminals. These are people who just got a ticket. So we want them to be treated as a customer when they come in. They want some sort of transaction, whether it be to go to trial or to pay their ticket or to have a conference, we're going to set it up as quickly as possible.

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My goal when we are running at capacity and we're more experienced than we are the day we open, is one hour. I'm looking for a one-hour turnaround from the time someone walks through the front door and says "I have a ticket" to the time that person can walk out the front door. I would rather they not spend more than one hour negotiating the entire system, which could mean going to the Clerk's Office, pulling the ticket, going and speaking to a prosecutor, getting offered a deal, going and seeing a JHO, taking the deal, getting the fine, going back to the window, paying the fine and then leaving.

So, it is ambitious, an hour, but I think it can be done. If we perfect this and streamline this the way I believe I can run the streamline, because I've studied Nassau, I did this in District Court when District Court handled traffic tickets in Nassau County. And really there is no reason why it can't be done. All you have to do is put the attention on the customer rather than the process and pay attention to that person that when they walk in the door and make sure that they are moved quickly and they're not waiting for something that they don't have to wait for.

This explains if you're going to pay a ticket, if you're going to answer a ticket, if you're here for a scheduled conference or you're here for a hearing -- I won't read it to you -- but if you have any questions on it or any questions on anything I've said or haven't said, I'm here ready to go.

**CHAIRMAN CALARCO:**

Legislator Montano.

**LEG. MONTANO:**

Hi. I'll try and speak as fast as you did. Jurisdiction: Are you just assuming the jurisdiction that currently is with the State Parking Violations Bureau? Are you assuming all? Or are you assuming more jurisdiction?

**MR. MARGIOTTA:**

We're assuming greater jurisdiction. We're an arm of the District Court, which gives us the jurisdiction over the parking tickets and the red light tickets, which the TVB did not have. TVB only had the movings. So now --

**LEG. MONTANO:**

You're not doing DUIs or anything of that nature?

**MR. MARGIOTTA:**

No, we're not doing -- no, we're not doing any misdemeanors.

**LEG. MONTANO:**

You're doing driving without insurance?

**MR. MARGIOTTA:**

Yes.

**LEG. MONTANO:**

Okay. So -- and you're doing 511s, 509s?

**MR. MARGIOTTA:**

We have 511 (a) which would be facilitating unlicensed operation, which is not the misdemeanors.

**LEG. MONTANO:**

It's not the misdemeanors. So you're just doing the traffic, not misdemeanors?

**MR. MARGIOTTA:**

Correct.

**LEG. MONTANO:**

Number two, the prosecutors that you talk about, they're not prosecutors from the DAs office. They're going to be independently hired people that are going to work as prosecutors?

**MR. MARGIOTTA:**

Yes.

**LEG. MONTANO:**

And who's going to select them and where are they coming from?

**MR. MARGIOTTA:**

I have one hired already. His name is Adam Halprin. He is a -- now he's -- he was hired as a County Attorney. I appoint the authority on him to be a traffic prosecutor. I can appoint anyone to be a traffic prosecutor if they are -- if they have a license to practice law. I'm hiring another one at this time and --

**LEG. MONTANO:**

You mean you've selected one or you're -- what does that mean "I'm hiring"?

**MR. MARGIOTTA:**

I'm looking.

**LEG. MONTANO:**

Oh, you're looking. Okay. So if anyone is interested, where do they go?

**MR. MARGIOTTA:**

Contact me immediately.

**LEG. MONTANO:**

Okay. And number three, with the rest of the staffing, what -- where are you with the rest of the staffing, your clerks, your clerk typists? Are they going to be Civil Service? Are you making that selection as exempt? And where do people go to apply for those positions and how will they be posted and what salaries, etcetera, etcetera, etcetera? We we can do this real quick.

**MR. MARGIOTTA:**

Sure. They're already hired. What I had to do was --

**LEG. MONTANO:**

Hired everyone on staff already?

**MR. MARGIOTTA:**

For opening, yes. For opening.

**LEG. MONTANO:**

You gotta go into the mic. Go ahead. Just like traffic court.

**MR. MELITO:**

I've been there. Yes, for opening people have been hired. But longer term we will be assessing what our needs are.

**LEG. MONTANO:**

How many people do you have on board right now?

**MR. MARGIOTTA:**

They'll be -- with -- not everybody is new. There are a couple that aren't new like me, but they'll be

20 full-time, ten part-time the day we open.

**LEG. MONTANO:**

And all of those positions have been selected?

**MR. MARGIOTTA:**

Yes. I had to call for the list. I had to go through Civil Service process, call for the list for account clerk typist, call for the list clerk typist, call for the list for cashier.

**LEG. MONTANO:**

Those were Civil Service positions?

**MR. MARGIOTTA:**

These are all Civil Service positions.

**LEG. MONTANO:**

And they came off the list.

**MR. MARGIOTTA:**

They all came off the list.

**LEG. MONTANO:**

Okay.

**MR. MARGIOTTA:**

Other than the ones that -- ones that were created, like my job and the Deputy Director.

**LEG. MONTANO:**

Got you. All right. Thank you.

**CHAIRMAN CALARCO:**

Thanks. Legislator Cilmi.

**LEG. CILMI:**

I have a number of questions sort of all over the place. First of all, really good job. My compliments to you and to the Administration for pulling this together so quickly. Tom, to the extent that you've been able to help.

**MR. MELITO:**

Thank you.

**LEG. CILMI:**

Good job, except that it concerns me a little bit how involved you may have been in this. I hope you weren't that involved because there are some other issues that we have to talk about at some point. But it looks good. And it's remarkable that you've been able to pull these pieces together so quickly.

**MR. MELITO:**

Thank you.

**LEG. CILMI:**

With respect to your accountant, one position that you've yet to hire, I would simply suggest to -- that there's a world out there beyond Babylon. And I would suggest, however, that you don't look past the boundaries of Suffolk County.

**MR. MARGIOTTA:**

Of course not.

**LEG. CILMI:**

Because there are plenty of people in Suffolk County who --

**MR. MARGIOTTA:**

They'll come off the list.

**LEG. CILMI:**

-- might appreciate that job.

**MR. MARGIOTTA:**

They will come right off the list.

**LEG. CILMI:**

With regard to your website, have you thought about whether or not it's going to be a dot-org or a dot-com or a dot-gov? My suggestion would be to do something other than a dot-gov because at some point I'll be looking to our Information Technology folks who were directed by way of resolution at some point to come up with a program to advertise on our website. So we can do that if it's not a dot-gov website. So dot-org or any other dot other than dot-gov we can actually do some -- now I don't know what kind of advertising you might have on this website, but you know --

**CHAIRMAN CALARCO:**

1-800-lawyers.

**LAUGHTER**

**LEG. CILMI:**

1-800-lawyers, right. So there may be some opportunity for that. So just think about that as you're registering domain names.

Also with respect to the website, you mentioned something about being able to pay tickets electronically and maybe go -- I don't know how -- how far your plan can take that. I had e-mailed somebody, and I don't remember, Paul, exactly who it was, it may have been Tom, it may have been someone else, with respect to the idea of -- the idea of sort of going through and adjudicating these traffic tickets online as opposed to making people come and doing that in person; saves us resources, saves our constituents, our residents time. We probably save money.

And the answer that I got, which I'll be happy to share with you, when I get back to my office I can forward you -- I'll find the e-mail that I got back, and forward it to you, was that we have some law in New York State that prevents us from doing that. So we'll talk about that more later. But I think if we can do it, I think it's fabulous -- fabulous thing.

With respect to your staffing needs and the staffing that you've already situated, you mention that -- that, you know, this is somewhat of an unknown for us. It may change once we open. What you've proposed here in this document, how does that compare to what we budgeted for?

**MR. MARGIOTTA:**

It's under budget.

**LEG. CILMI:**

Okay.

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**MR. MARGIOTTA:**

All I just know is it's under budget.

**LEG. CILMI:**

You don't know by how much it's under budget?

**MR. MARGIOTTA:**

I don't.

**LEG. CILMI:**

Tom, do you have any idea?

**MR. MELITO:**

No, but it's significantly under budget.

**LEG. CILMI:**

Okay. Significantly under budget. So there's room when we -- if we do need to augment. I think that may be -- yeah, Mr. Chairman, that's all the questions I had. Thanks very much for your presentation. I do -- by the way, just as an aside, and I'll yield for the rest of the meeting, at some point very soon I would like to have a presentation from Mr. Melito on the rest of the -- you know --

**CHAIRMAN CALARCO:**

I'm planning that for our next Committee meeting.

**LEG. CILMI:**

Okay. That'd be terrific. I look forward to that with great anticipation. Thanks.

**CHAIRMAN CALARCO:**

Very good. Legislator Kennedy.

**LEG. KENNEDY:**

Yes, thank you. And I saw most of this -- when was it, yesterday, Paul?

**MR. MARGIOTTA:**

Yes.

**LEG. KENNEDY:**

-- or the day before. So I am listening. But there is one position you spoke about that I don't recall us talking about. Court clerk?

**MR. MARGIOTTA:**

It's a justice. There's a justice court clerk, which is a civil service title.

**LEG. KENNEDY:**

A-huh.

**MR. MARGIOTTA:**

I wanted that title because we don't have any significant -- the duties I presented to Civil Service would not fall into anything but that.

**LEG. KENNEDY:**

Okay.

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**MR. MARGIOTTA:**

When I questioned "can I hire them" they said "we're not --" "it's not a County position. It's Village position and the list expired."

**LEG. KENNEDY:**

Okay.

**MR. MARGIOTTA:**

So I was able to hire people who were going to have to take the next test.

**LEG. KENNEDY:**

That's my question. So it is going to be a competitive. They're brought on provisional. They'll be subject to the exam.

**MR. MARGIOTTA:**

Absolutely.

**LEG. KENNEDY:**

The exam is going to be given.

**MR. MARGIOTTA:**

Yes, absolutely.

**LEG. KENNEDY:**

Fine. Thank you.

**CHAIRMAN CALARCO:**

Okay. Any there any other questions? No, I don't see others. All right. Well, thank you very much, gentlemen and we appreciate it. I should have had you go first.

**MR. MARGIOTTA:**

That's okay.

**CHAIRMAN CALARCO:**

But we appreciate your time and your commitment to this. I went on the tour yesterday. It looks like you have really put a lot of thought into the process. And hopefully we'll be able to open up and have the place running very smooth and efficiently right off the bat, which is not an easy thing to accomplish when you create a new agency. So we thank you for all your efforts.

**MR. MARGIOTTA:**

Thank you. We'll make you proud. And anybody wants a tour, just let me know any time and I'll make myself available. Thank you.

**LEG. BROWNING:**

Yeah, Paul, I know we talked. Sorry. No, no, you don't have to stand. I know that we talked. I got a tour earlier in the week. But obviously if you want to give me a date in May so I'm going to reach out to the Public Safety Committee once it's up and running so that we can actually get a tour and see what it's like when it is running.

**MR. MARGIOTTA:**

That would be be great.

**CHAIRMAN CALARCO:**

Great. Sounds good. Thank you gentlemen.

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Okay, we're going to get right into the agenda now, try to get through it the next five minutes that we have before the next meeting starts.

### TABLED RESOLUTIONS

Tabled Resolutions, **IR 1927, Adopting Local Law No.-2012, A Local Law to establish collaborative long-term visioning plans among County Departments ("The Suffolk County Visioning Act")**. (Gregory)

I will make a motion to table at the request of the sponsor.

**LEG. CILMI:**

Second.

**CHAIRMAN CALARCO:**

Second by Legislator Cilmi. All those in favor? Opposed? Abstentions? **IR 1927 is tabled. (VOTE: 6-0-0-0)**

**IR 2064-12, Adopting Local Law No. -2012, A Local Law to require gasoline stations to be prepared to run emergency generators for fuel pumps. (Stern)** I will -- motion to table by Legislator Browning. I'll second the motion. All those in favor? Opposed? Abstentions? **IR 2064 - 2012 is tabled. (VOTE: 6-0-0-0)**

**IR 2067-2012 Adopting Local Law No. -2012, A Charter Law to clarify Legislature's role in collective bargaining. (Calarco)** I'm going to make a motion to table. I'm still working on that. Second by Legislator Browning. All those in favor? Opposed? Abstentions? **IR 2067-2012 is tabled. (VOTE: 6-0-0-0)**

**IR 2093-12 Aiding permanently displaced victims of Hurricane Sandy in the Mastic-Shirley area. (Browning)** Motion to table by Legislator Browning. I'll second that motion. All those in favor? Opposed? Abstentions? **IR 2093-2012 is tabled. (VOTE: 6-0-0-0)**

### INTRODUCTORY RESOLUTIONS

**IR 1191-2013, Modifying Resolution No. 625-2002, to permit the Town of Southamptton to construct affordable housing on parcels previously transferred pursuant to Section 72-h of the General Municipal Law and authorizing execution of agreements. (Presiding Officer on request of the County Executive)** Can we have a brief explanation either by Counsel or Jill if she's here. Jill, go ahead.

**DIRECTOR ROSEN-NIKOLOFF:**

Yes. So in 2012 a parcel was transferred to the Town of Southamptton. And everyone proceeded as if it was to be built on as affordable housing. I subsequently took a look at the deed and realized there was a restriction in it that said that it really should have the rights transferred off of it and applied to other areas for affordable housing and be maintained as open space. In the meantime the Town and developments partners went ahead with the subdivision and currently have subdivision approval for two homes on it and are ready to proceed with construction. So, we need to correct the deed to say that it may be built on for affordable Housing.

**CHAIRMAN CALARCO:**

So this lets us build affordable in Southamptton?

**DIRECTOR ROSEN-NIKOLOFF:**

Correct.

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**CHAIRMAN CALARCO:**

Sounds like a good idea to me. I make a motion to approve, second by Legislator Montano. All those in favor? Opposed? Abstentions? **IR 1191 is approved. (VOTE: 6-0-0-0)**

**IR 1193-13 Amending the Suffolk County Classification Plan and the 2013 Operating Budget in connection with the newly created Suffolk County Traffic and Parking Violations Agency (Presiding Officer on request of the County Executive)** Motion by Legislator Spencer. I will second the motion. All those in favor? Opposed? Abstentions? **IR 1193 is approved. (VOTE: 6-0-0-0)**

We already handled IR 1200.

**IR 206-13 Granting a temporary waiver of Suffolk County residency requirements for the employment of Katherine Daniel. (Presiding Officer on request of the County Executive)**

**LEG. MONTANO:**

Motion to discharge without recommendation.

**CHAIRMAN CALARCO:**

I have a motion to discharge without recommendation by Legislator Montano.

**LEG. SPENCER:**

Second.

**CHAIRMAN CALARCO:**

Second by Legislator Spencer. Any discussion? All those in favor? Opposed? Abstentions? **IR 1206 is discharged without recommendation. (VOTE: 6-0-0-0)**

I have no other items on the agenda so we are going to adjourn two minutes before the next committee. Thank you.

**THE MEETING CONCLUDED AT 2:31 PM  
{ } DENOTES SPELLED PHONETICALLY**