

10/3/13 Gov Ops Committee

**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 October 3, 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
Legislator DuWayne Gregory, 15th Legislative District
George M. Nolan, Counsel to the Legislature
Sarah Simpson, Assistant Counsel to the Legislature
Renee Ortiz, Chief Deputy Clerk of the Legislature
Laura Halloran, Budget Review Office
Benny Pernice, Budget Review Office
Samuel Chu, Commissioner/Department of Labor and Consumer Affairs
Tom Vaughn, County Executive's Office
Jill Rosen-Nikoloff, Director/Affordable Housing
Jonathan Keyes, Director/Downtown Revitalization/Town of Babylon
Charles Gardiner
Maria Barbara, Aide to Leg. Cilmi
Paul Perillie, Aide to Leg. Gregory
Lora Gellerstein, Aide to Leg. Spencer
Amy Keyes, Aide to Leg. Calarco
Bob Martinez, Aide to Leg. Montano
Michael Pitcher, Aide to Presiding Officer
George P. Aridas, Executive Vice President/Albanese Organization
Marianne Garvin, President and CEO/Community Development Corporation of LI
Allen Handelman, Vice President/Conifer Realty LLC
Steven Macchio, Appointee/SC Commercial, Industrial, Residential, Septic Tank/Sewer Drain Treatment, Bacteria Additives and Maintenance Board
Kevin Harvey, SC Licensing Board
And all other interested parties

MINUTES TAKEN BY:

Diana Flesher, Court Stenographer

MINUTES TRANSCRIBED BY:

Diana Flesher, Court Stenographer
Denise Weaver, Legislative Aide

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(THE MEETING WAS CALLED TO ORDER AT 12:40 PM)

CHAIRMAN CALARCO:

Can I have all the Legislators to the horseshoe? Good afternoon everyone. We're going to get started the Government Operations, Personnel, Housing and Consumer Protection Committee. If we could all rise for the Pledge of Allegiance led by Legislator Cilmi.

SALUTATION

Thank you. We have no correspondence today. So we're going to go right to the public portion. I have one speaker, Kevin Harvey. Kevin, if you'd like to come up.

PUBLIC PORTION

MR. HARVEY:

Good afternoon, Members of the Committee. I would just -- wanted to say a couple of brief words. Number one is, I appreciate the vote on my confirmation regarding the appointment to the Suffolk County Licensing Board. I hope I can -- can do the confirmation justice. I do think I bring a -- at least some experience to the table after having served in the electrical industry for some 42 years. So, hopefully I can -- can help in some decision and some policymaking decisions. But thank you for your support.

And, secondly, I would like to mention just a couple of brief words regarding the Wyandanch Rising Project. That project has been on our radar for a number of years. I know a number of people within the community have worked really hard to try to get that project moving forward and now it finally is moving forward. We have contractors on-site, which means we have members on-site working so that's a very good thing not only for the construction industry in general, but also specifically for the Wyandanch community.

So I'd like to thank -- I'd like to thank the Committee for their support in whatever efforts are needed in order to keep that project going. And moving forward has been a great win for not only for the community but also the construction industry on Long Island. So I'd like to take time to thank you for that too. That's fine, that would be the end of my comments.

CHAIRMAN CALARCO:

Great. Thank you, Kevin. Does anybody have any questions for Mr. Harvey? Okay, thank you very much. We appreciate your coming down and addressing the Committee today.

I have no other cards. Is there anybody else in the audience who'd like to address the Committee?

PRESENTATIONS

Seeing none, we're going to move into the presentation portion and we're going to start with the Wyandanch Rising Project. And, George Aridas, if you'd like to come forward from the Albanese Organization and just tell us a little bit about what you're doing.

MR. ARIDAS:

Good afternoon. Thank you. I come before you again representing the Albanese Development Corporation and the Wyandanch Rising Project. We are financing and about to start construction on the second building. The first building, which you were kind enough to vote infrastructure funds for earlier this year, is coming out of the grounds. Steel is being erected at this point; The foundation is done. And we have the second building, which is also a mixed-use building, 86 units with 18,500 square feet of retail -- neighborhood retail, to support the -- the community.

I have presented for the Committee to look through just some summary statistics in terms of the

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number of units and the ratios of affordable -- 62% will be affordable within the limits of the program -- of the tax credit program. An additional 9% will fall within the workforce housing income household limits. And we will have 28% that will be market-driven to create a mixed use/mixed income addition to the Wyandanch Village first phase, as we call it.

I don't know if any of you were at the groundbreaking. It was well received within the community and is moving forward. And the statistics in terms of the percentage of -- of units in terms of the capital stack for the financing is in the package.

So without taking any more of your time, I do thank you and -- and would answer any questions you have at this point.

CHAIRMAN CALARCO:

Legislator Cilmi.

LEG. CILMI:

We're not used to such a brief presentation, so forgive me if I missed this, but in terms of the rental units, right, do you go out and pre-sell those; or do you wait until the thing is done and then start renting at that point?

MR. ARIDAS:

These are all rentals. The process for tenant selection is overseen by the State Funding Agency. We will start that process approximately four months before the units are ready to be rented. There is a lottery system. There is an application and an income screening for household.

So in the first building, which is under construction, we will start that process sometime in April of next year. And we will include within that process taking applications and screening for -- for the second building as well. So it is a full outreach through the community, through the community organizations, churches, and affiliations as well as publically advertised. So those -- that rental process will start approximately four months before the units are available.

LEG. CILMI:

Okay. So I know it's a widely-held belief that there's not -- we don't have enough rental units here in Suffolk County, on Long Island in general, but what happens if, you know, four months before they're ready, you go out and -- and there just isn't significant interest given the price points of the rentals that you're -- that you have available? What happens then?

MR. ARIDAS:

The -- all of the data that we have and the independent studies that have been done to support the financing indicate that they would be there. That said, the price points for the affordables are set and there is a dearth of housing at that price point. On the market side it will be price-driven. If we need to lower the rents, which are already below market in the area, but if we need to lower the rents, we would. We're not anticipating that that would be the case, but it will be market-driven.

LEG. CILMI:

Now will -- will any of this be -- in addition to the work that governments have been doing in terms of supporting this whole project, I know there's been some, are there any additional housing subsidies that will go into funding the rents of any of these units?

MR. ARIDAS:

Not the specific rents. There are capital grants -- the capital structure is in the package so there will be capital grants from the State.

LEG. CILMI:

Yeah. No, no, I don't mean in terms of the building of the units. I mean in terms of the actual rentals of the units. So, in other words if I -- the individuals who you're renting to, will those units

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be rent-subsidized so that, you know, if you're living there, if you can't afford to pay the -- whatever the amount is, that some level of government, be it the State or the Federal Government, or whatever is subsidizing that expense?

MR. ARIDAS:

We will have no project-based subsidy on the rental side for the projects. So if an individual has an individual subsidy, they'll go through the same screening process as anyone else, but we have not applied for nor received any project-based rental subsidies.

LEG. CILMI:

Okay. So theoretically if somebody -- if somebody is receiving housing assistance as part of a public assistance package, that could be applied to the rent, but that's that individual's personal decision and situation and has nothing to do with you.

MR. ARIDAS:

Correct.

LEG. CILMI:

Oh. Okay. And how many --

MR. ARIDAS:

Let's say that they -- I mean they would still have to go through the same credit workforce, you know, work history, credit, housing standards of anyone else coming into the project, but that would be their own personal decision to apply.

LEG. CILMI:

Right, right. And I would imagine -- I mean you're the builder, right, here?

MR. ARIDAS:

Yes.

LEG. CILMI:

So you fully expect that you'll fill these units up pretty quickly, I would --

MR. ARIDAS:

Yes, we do. And as I said, there was an independent market study that needed to be done. And there were also studies and appraisals performed by the lender. So it's not just our individual assessment, but it's backed by independent studies by the lender and by the marketing agency.

LEG. CILMI:

And what is the lowest priced unit? What would you expect that the rent -- the monthly rent on that lowest price unit would be?

MR. ARIDAS:

The lowest price unit would be a studio set aside for a family -- set aside for an individual who had 50% of Suffolk area median income. That would be approximately 915, \$920.

LEG. CILMI:

Okay.

MR. ARIDAS:

Per month.

LEG. CILMI:

Okay. And what's the range? What does it go up to?

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MR. ARIDAS:

A market three-bed bedroom would be somewhere in the neighborhood of \$2500 a month.

LEG. CILMI:

Now --

MR. ARIDAS:

Which would not be within the workforce program. As I said --

LEG. CILMI:

I understand. Have there been studies that show -- that on a project such as this where this is a mixed -- you know, affordable component and market component together -- you know, I would suspect, for example, that if you had -- just to use an extreme example, if you had an apartment building that had units going for \$900 a month and had units going for \$15,000 a month, depending on what the mix is, I would suspect that it might be difficult to rent the units going for \$15,000 a month just because of people's concerns about, you know, living with -- whatever. You get my point.

MR. ARIDAS:

I do and we don't. We don't have problems doing that. As an example, we have a large 80/20 project in Manhattan with rents -- the lower rents are lower than the lowest rents in Suffolk would be. Because the area median income in New York City is lower than the area median income in Suffolk.

LEG. CILMI:

And yet you're still able to fill the market rate.

MR. ARIDAS:

The market rate are going for 6 to \$9,000 a month.

LEG. CILMI:

That's great to hear.

MR. ARIDAS:

And there's no issue. And in fact --

LEG. CILMI:

In many ways that's great -- for many reasons that's great to hear.

MR. ARIDAS:

And as you walk into the building, the units are -- the affordable units are spread throughout the building. And walking down a hallway you couldn't tell *that's an affordable, that isn't*. So we have less than one half of one percent vacancy in that building. That building has been operating this way for 11 years.

LEG. CILMI:

That's terrific. Good. That's all the questions I have. Thank you very much.

CHAIRMAN CALARCO:

Legislator Kennedy.

LEG. KENNEDY:

Thank you. Good to see you again. And thank you for the update on the project. Similar to what Legislator Cilmi spoke with you about and from someone, I guess, who probably should know the particulars but I don't, when we talk about low market housing or subsidized housing or any of the gamuts we want to use, the term Section 8 comes up over and over and over again. And however

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it's actually utilized, unfortunately it does not ever seem to be something that resonates positively with the public. The little bit of understanding I have about Section 8 is, is -- that it is an owner-sought accommodation. Is that true? Are you familiar with it?

MR. ARIDAS:

There are two types of Section 8. There is a project-based and there is a portable. In a project-based situation, the owner receives the Section 8 subsidy and can use it for individuals at the income level. And in that instance, it is owner-sought.

LEG. KENNEDY:

Okay.

MR. ARIDAS:

We don't have that. We have not sought that. We are not seeking that.

LEG. KENNEDY:

Excellent. That's what I was hoping to hear. And I, for a whole variety of reasons, I'm happy to hear that. Okay. Good. Thank you.

CHAIRMAN CALARCO:

Anyone else? Legislator Gregory.

LEG. GREGORY:

Thank you, Mr. Chair, for allowing me to make a comment even though I'm not a member of the Committee. And thank you, sir, for coming here today. If you don't know, your project is in my legislative district. So I'm here to support your efforts and just to say that, you know, this project is very much supported by the community. The location of the project is very much accessible to surrounding communities. It's less than a mile from Deer Park. It's less than a mile-and-a-half, two miles from the Dix Hills area. I mean, there are other areas within the surrounding communities. And it's reflective in those that come to the Wyandanch Train Station to commute to New York City.

And we know by the studies that we've done, I believe, probably eight years ago now, the Rutgers Study that says that Suffolk County's lacking 90,000 affordable housing units. So there is a dire need. This project addresses that need. It doesn't address all of the need, but it certainly can't do that. But I think it has a perfect mix of affordable, market rate apartments that will make the project accessible.

And as we mentioned, this is a model that's been used across the county. And I expect the some levels of success. So I urge my colleagues to support it. I think it's a tremendous project. And I look forward to your support. Thank you.

CHAIRMAN CALARCO:

Great. Thank you. If there are no other questions, thank you very much for being here today. We appreciate the brevity of your presentation. And I wish you very good luck in your project.

MR. ARIDAS:

Thank you very much.

CHAIRMAN CALARCO:

Thank you.

MR. ARIDAS:

Thank you all.

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CHAIRMAN CALARCO:

Okay. We have one other presenter today. We have another workforce housing project that's going before our Committee. And Marianne Garvin, President and Chief Executive Officer of the Community Development Corporation, is here along with Allen Handelman, Vice President from Conifer Realty LLC, to talk about the Wincoram project.

MS. GARVIN:

Good afternoon. I'm Marianne Garvin, President and CEO of the Regional Not-For-Profit Community Development Corporation of Long Island. I want to commend Suffolk County for its commitment to affordable housing and to thank the County Executive and the Legislature for years of support of public/private partnerships that leverage scarce dollars to meet multiple public objectives, increasing the supply of much needed housing, improving the environment, and stimulating economic development.

I have been working for nearly two years to transform the 18-acre site that contains the vacant and blighted United Artists Theatre in Coram located at 3700 Route 112 into a new mixed-use development with 176 units of workforce housing and approximately 13,300 square feet of commercial space. Together with my development partner, Conifer Realty, we seek the support of Suffolk County and the Affordable Housing Opportunities Program to build Wincoram Commons.

The vacant and blighted existing theatre structure will be demolished and replaced with a combination of mid-rise apartment buildings and townhomes over flats, which will produce a mix of one, two and three bedroom residential units. Approximately 7300 square feet of retail space will be built on the Town Center, Main Street on the first floor of the three-story residential buildings.

A 6,000 square foot commercial building will be constructed at Route 112 and serve as a gateway to the community. A leasing Office, fitness center and community space will be housed in a clubhouse located across the Main Street from the commercial building. The clubhouse commercial building and mixed-use residential buildings will frame a pedestrian friendly plaza.

Anticipated average residential monthly rents are 1121 for one bedrooms, 1344 for two bedrooms and 1549 for the three bedroom units. As a comparison, the adjacent Avalon Charles Pond Apartments, the one bedroom units start at 1515 and the two bedrooms at 1815. All 176 units are restricted to families earning no more than 90% of the area median income.

Preliminary site plan approval was granted by the Town of Brookhaven in September of 2012 and final site plan approval is expected by the end of October 2013.

The project has been accepted into the Town's Blight-to-Light initiative, which incentivizes redevelopment of blighted and vacant sites within the Town of Brookhaven. The New York State DEC has approved a Wetlands Mitigation Plan. And the Town of Brookhaven has issued a Wetlands Permit, both of which are critical to the successful redevelopment of this site.

There is tremendous support for Wincoram Commons throughout the community. The Coram Civic Association has assisted in the development of the project, which is based upon the Coram Middle Island Country Land Use Plan for the site, which was itself the result of a broad outreach and visioning of the residents of the area.

Irma Gluck, President of the Civic Association, has said on many occasions "I can't wait to see the wrecking ball knock down that delapidated building." Residents are looking forward to a thriving new addition to their community. CDCLI is committed to redeveloping this blighted site. The Board of Directors of our non-profit lending affiliate, the CDCLI Funding Corporation, which is a CDFI, has committed \$500,000 of our own funds to make this project a reality.

Further, the Long Island Regional Economic Council has determined that Wincoram Commons is a priority project for our region. And CDCLI was awarded a million dollar grant from the Empire State

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Development to offset infrastructure improvements for the commercial portion of the job.

And now Allen Handelman, Vice President of our development partner Conifer Realty, will discuss the use of the Suffolk County infrastructure funds, the economic impact, the construction process and the timing of the implementation.

MR. HANDELMAN:

Hi. I'm Allen Handelman, Vice President of Conifer Realty. Thank you for your time.

To support the on-site construction of the affordable housing and commercial space, the project also requires significant infrastructure work. This includes construction of a sanitary pump station, roads, parking lots, sidewalks, electric and water distribution systems and storm drainage and collection systems. It is these infrastructure systems that will be funded in part by Suffolk County.

Additionally, a connector road named Wincoram Way will be constructed from Route 112 to Route 25. This will help reduce the traffic congestion that exists just north of the site.

We anticipate during construction there'll be 83 jobs created annually over a two-year construction period. There'll be approximately 29 permanent jobs created at this site. This would vary depending on the nature of the commercial tenants.

Wincoram Commons will be completed in three phases: Phase one will create 98 residential units and approximately 7300 square feet of Main Street commercial space. Phase two will construct the remaining 78 residential units. Phase three will be the construction of a 6,000 square foot commercial pad at the entrance to the site. Construction of each phase may occur sequentially or simultaneously but will clearly begin with phase one.

CDC of Long Island and Conifer received a funding commitment for phase one from New York State Homes and Community Renewal in May of 2013. And we've recently received preliminary approval for phase two in September. Construction of phase one is scheduled to commence in February 2014.

CHAIRMAN CALARCO:

Okay. Thank you very much. Does anybody have -- Legislator Kennedy.

LEG. KENNEDY:

Thank you, Mr. Chairman. Good afternoon, folks, and nice to see you. And I know that while this is a little bit beyond where my district ends in Centereach, I'm very familiar with the site. I believe the Town of Brookhaven, as a matter of fact, has worked actively and constructively with you. And I believe Supervisor Romaine very recently there was a press conference there, I think, to announce whatever this next step is or the anticipation of your groundbreaking.

So you're going to put a connector road in. And the funding that we're considering here today is as it often is, is going to support some of the infrastructure investments associated with the site. Is that it?

MR. HANDELMAN:

It's infrastructure exclusively on the site.

LEG. KENNEDY:

Alright. And, Counsel's going to tell us, I guess, so then what happens, George? We get an equity interest in the project or do we become a lienor? How does that work out?

MR. NOLAN:

You're going to have to defer to the County Attorney on that. I know in terms of bonding a project like that, we have to do something to get some type of interest in the property. That's always been

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my understanding through bond counsel, but maybe --

CHAIRMAN CALARCO:

Jill can answer the question, I'm sure.

LEG. KENNEDY:

Through the Chair, thank you. Jill, what do we do? How --

DIRECTOR ROSEN-NIKOLOFF:

Initially we take an easement in the property.

LEG. KENNEDY:

A-huh.

DIRECTOR ROSEN-NIKOLOFF:

Which gives us an ownership interest so that we can issue bonds. And then when we close and fund, we take back a note and a mortgage and we further secure the affordability of the units by filing covenants and restrictions against the property.

LEG. KENNEDY:

Okay. Stay there for a second, if you would, please. The road -- the internal road that they're speaking about, that's a connector through -- what is it, 112 and 25, is that going to be a dedicated roadway or is that something internal only to the project?

MR. HANDELMAN:

That's intended to be a dedicated road. And it also extends across other Town of Brookhaven owned property to the -- to the west that connects to Route 25.

LEG. KENNEDY:

So it's being dedicated to the Town and then it's going to be built in conformance with Town standards.

MR. HANDELMAN:

That's correct.

LEG. KENNEDY:

Okay. Alright. So then let's go back to the actual units themselves. Marianne, you described the first phase is -- I'm sorry, what is it?

MS. GARVIN:

The first phase is 98 units.

LEG. KENNEDY:

Ninety-eight units. And you are extremely familiar with the Section 8 Program. I know, as a matter of fact, I believe CDC is one of the -- or you may be the only entity that operates it in collaboration with Town of Brookhaven.

MS. GARVIN:

We actually are a local administrator under New York State. And we administer over 3500 vouchers with New York State. And then we also manage the voucher program for the Town of Smithtown as well as for disability providers. So with all of those contracts, with all of those housing agencies, we manage almost 4500 vouchers. Now those vouchers are tenant-based. And that's where a tenant is considered eligible.

LEG. KENNEDY:

Yes.

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MS. GARVIN:

And they take their voucher and they seek a unit wherever.

LEG. KENNEDY:

Wherever, right.

MS. GARVIN:

This -- I'm anticipating your next question, which is on --

LEG. KENNEDY:

Come on. Keep going. You know where I'm going with this.

MS. GARVIN:

For this particular development, which is a workforce housing development, and it's mixed income, up to 90% of the area median income, we are not using any project-based vouchers. Very similar to --

LEG. KENNEDY:

Okay.

MS. GARVIN:

-- what was describe with the Wyandanch Rising, so -- now, if somebody has a voucher and wants to apply, it's not legal to say "no", but they would have to go through the same screening for background checks and credit checks and the like that every other tenant would go through.

LEG. KENNEDY:

All right. What is that factor that you're using? So 90% of median -- what is median at this point?

MS. GARVIN:

Well, it's the Nassau-Suffolk median income, which is over 100,000. So the 90% goes up to almost 90,000 or a little bit more, maybe 93,000 for a family of four. So we have --

LEG. KENNEDY:

Okay.

MS. GARVIN:

-- families below 50%, below 60% and below 90%. So it's going to be a mix of incomes.

LEG. KENNEDY:

And that's subject to a couple of different things: Family size, obviously if you have a larger family --

MS. GARVIN:

That's correct.

LEG. KENNEDY:

And that is household income. So if both mom and dad are employed, we're looking at pooled income, income from adult children or something like that?

MS. GARVIN:

It's household income. The children would have to be adults over --

LEG. KENNEDY:

Yes.

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MS. GARVIN:

-- 18 for their income to be counted. Yes, that's correct.

LEG. KENNEDY:

Okay. Back to the gentleman, to the developer for a second -- thank you, Marianne, I appreciate it. So we're breaking ground in -- not February; March or April of 2014.

MR. HANDELMAN:

We anticipate beginning mobilization in February 2014. So --

LEG. KENNEDY:

You're optimistic. So we're not having a rough winter.

MR. HANDELMAN:

There's still -- there's still a lot that's entailed.

LEG. KENNEDY:

Site improvements and stuff like that, yes, you're right.

MR. HANDELMAN:

(Inaudible) -- utilizing a construction site, you know, between getting trailers set up, temporary electricity.

LEG. KENNEDY:

Who's doing the demo? Are you doing the demo?

MR. HANDELMAN:

All the work that we do is with a joint venture construction company Conifer Lechase. And they're -- they're the general contractors. And the demolition -- we subcontracted out to a demolition contractor. We have not gone to bid for that type of work.

LEG. KENNEDY:

Who is Conifer Lechase and where are they from?

MR. HANDELMAN:

Well, Conifer is a Rochester New York based real estate development company. We have offices in New Jersey, Pennsylvania and Maryland.

LEG. KENNEDY:

Do they hire local labor and is it union?

MR. HANDELMAN:

We're finishing up a job in North Hempstead. I would say 90% of the contractors are local. And within that workforce about 50 to 60% of the trades are union contractors. It's not exclusively union; however we --

LEG. KENNEDY:

I understand that it's not a publicly-funded project so we can't have a PAL in it. But nevertheless you're here before us asking for our support to go ahead and fund an important portion of the project. And in doing that, I'll say I'm asking you to make a good faith effort for two things: One, you use local labor and it be local union labor.

MR. HANDELMAN:

I appreciate that. We always do an outreach to the Buildings Trade Council. We've actually had a meeting --

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LEG. KENNEDY:

Mr. {Okane}, have you had a contact with him? Or you are in discussion -- Nassau Suffolk Building Trades Council?

MR. HANDELMAN:

That's correct. We had a meeting with them about a week ago.

LEG. KENNEDY:

Good. Excellent.

MR. HANDELMAN:

And some of the other trades.

LEG. KENNEDY:

Okay. Glad to hear. Thank you, Marianne. Nice to see you here.

CHAIRMAN CALARCO:

Legislator Spencer.

LEG. SPENCER:

Hi, good afternoon. Thank you and congratulation. I have several questions. Currently this particular project, does it fit within the zoning -- residential zoning? What is the zoning of the area and have you had to apply for a variance?

MS. GARVIN:

We actually have our preliminary approval. The site was accepted into the Blight-to-Light initiative. And we have a special use permit to do the building that we're going to be doing there. So it didn't have to go through a rezoning, per se. We went to the Planning Board for the approvals. So now we are -- we have a preliminary site plan approval. And hopefully we'll have our final site plan approval by the end of the month.

LEG. SPENCER:

Well, you know, definitely it's something I'm familiar with. I was a Chairman of the Housing Authority. So we did several building issues. And I can tell you some of the stumbling blocks, which are the questions that I have, so you're looking at approximately 176 units on 18 acres. So you're looking at approximately a density of about 9 units per acre is what it's calling for. What's the wastewater plan? Is it local treatment? Is there sewers there?

MR. HANDELMAN:

The -- at this point we are proceeding at the direction of DPW to connect to Sewer District 11. And that's the anticipated wastewater treatment. And we're in the process of -- we've obtained preliminary sewer agency approval and we're following that course right now.

LEG. SPENCER:

What's the anticipated flow from this -- from 176 units? And is there the capacity there in that sewer district to take that on?

MR. HANDELMAN:

It's 45,000 gallons a day. And that's a conservative estimate. And there is capacity right now.

LEG. SPENCER:

And with regards to the units, the one, two, three, four bedrooms, the local school district, how many children do we anticipate that would be a part of this community? And do we have the support of the school district? I know typically that's an issue, too.

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MS. GARVIN:

We don't have a estimated number of school children, but I have met with the Superintendent. The school board members are members of the Coram Civic Association. They have been with us for the last two years as we've been developing this. And so, yes, they do support this.

LEG. SPENCER:

What are the breakdowns of one, two, three and four bedrooms? And my question's more relating to -- even though it's a family, sort of, development that you're planning, if they're one and two bedrooms, you're leaning maybe more towards seniors or maybe the young part of the workforce. If it's more three or four bedrooms, you're leaning more towards family homes. And I -- you know, I understand the not-for-profit, you know, what your mission is. But in this particular project, can you tell me what -- what's the population that we're looking to provide housing for? We're trying to increase, like, workforce housing? So we'd like young people coming out of school, being able to get a one bedroom, our seniors, our vets? Are we looking for -- with this shortage of family housing in the area?

MS. GARVIN:

I'll tell you what the mix is. It's 34 one-bedroom units; it's 42 two-bedroom units.

MR. HANDELMAN:

Start again. I apologize.

MS. GARVIN:

We have it broken down by two phases so -- and I can't read his handwriting. He edited it. So let's do it altogether.

MR. HANDELMAN:

There's 60 one-bedroom units; 92 two-bedroom units; and 24 three-bedroom units. And the intent is really to meet a broad range of needs both people that are at the beginning and the end of their family formation as well as growing families.

LEG. SPENCER:

These units, are there homeownership opportunities within this particular offering?

MS. GARVIN:

All of these are rental units. And CDC of Long Island has a homeownership center just down the road. So what we do with all of our family, or non-age restricted developments is we offer financial education and pre-purchase home buyer education to all of the tenants.

Since they're non-age restricted, we do anticipate that the one and two-bedroom units could potentially be filled by senior citizen wanting to downsize. But we also anticipate that they're going to be young people moving in where this is their first housing opportunity; and that they're going to be aspiring to buy a house. This is very typical kind of progression in a person's life. And so we have tools available to assist people to buy a house. And that's a big part of our mission.

So we're anticipating as we have seen in other developments that we'll have people moving out. This is their starter housing. And since it's affordable, they'll be able to save for a down payment and be able to move on.

LEG. SPENCER:

With regards to -- with the renters who would be coming in, as far as the overall taxes, property taxes, are we looking at a pilot for the program? Or would it be market rate taxes? Who will be the owners of this? And will it be a pilot to the Town or what's the --

MS. GARVIN:

It will be a pilot through the Brookhaven IDA. And so they'll be a leaseback kind of an ownership

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structure for that period of time.

LEG. SPENCER:

That's usually where you have a lot of difficulty with the school district, too, when you look at a pilot. And if you have a pilot that is significantly below the market tax rate for the area in terms of the cost per student, then that usually places a strain on the school district. And that's where you'll get a lot of your opposition.

MS. GARVIN:

We actually have had this conversation with the school district about the taxes. And, you know, as I mentioned in my opening remarks, there are multiple objectives for development like this. The community is really very focused on wanting to redevelop this blighted site. It's been more than ten years. It's extremely dilapidated and it's pulling down the entire community. And so this is a very welcomed development because the community feels, and we agree, that once this is built, that it's going to have an overflow effect in the surrounding community. So a temporary pilot, while it's not the most ideal situation, is still going to be generating more taxes than what is being generated now and will stimulate other economic activity.

And so we have had a very open and honest conversation, not only with the school district, but with the community members. And we actually said if this is something that you don't want, we'll go away. I mean, we don't go into communities and do developments if the community doesn't want it. The community actually named this project Wincoram Commons so -- I mean I think there is going to be an uplifting of the community. This is going to be right next to Avalon Bay. And the connector road is going to connect our development with Avalon. And I think the sense that we have of creating this community building is going to be bringing folks from the surrounding community into Wincoram Commons. So it'll be very integrated with the surrounding folks that live in the Coram area.

LEG. SPENCER:

I respect what you're doing. And just a statement from experience, we've had a great project where we had senior housing. Everyone was all for it, but the issue comes in a lot of times, when you talk about community as this kind of homogenous group of people, majority rules. A lot of times there's a very loud minority that will, you know, institute lawsuits and various other things, whether or not it's a claim in terms of wastewater issues, disturbing the environment with regards to the aquifer; or just taking away resources from current school children. And so I've been in situations where I've had 70/30 community kind of support, but you can get just a very, very vocal minority that can really tie you up and cost significant amounts of time and resources and money and can actually kill these projects, too. So, I think that is --

MS. GARVIN:

Dr. Spencer, I have been in those situations, too. I've been doing housing for almost 30 years. And I've been accused of proposing to bring ax murderers into town and things like that. What I can say about this is that it's been probably the most unique development experience that I've had in my career. We had the -- we've had several public hearings on this development at the Town, both with the Planning Board and with the Town Board. And in every instance I've only had people come and make positive comments.

And when we were at the Planning Board for the preliminary site plan approval and for acceptance into the Blight-to-Light, after the community spoke and surrounding businesses spoke, the Chairman of the Board said to me "what took you so long?" So it is unique. And I am very aware of circumstances where people have tried to stop development. I don't feel like that's the situation with Wincoram.

LEG. SPENCER:

Thank you. And I know you know these things. A lot of times when we get a presentation like this, as Legislators, we get kind of the happy front. And then once we get involved with public

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issues, public funding, then we -- you know -- so I just -- a lot of times at this point it looks great. And I guess you've dealt with that.

So when we look at something -- if we talk about pilots and we're talking about something that is attainable, but when we look at the actual construction costs and taxes in terms of services, one, what will the carrying charges be? Will there be a maintenance company that will be in charge -- a management company? And when you add up the management company and all of the actual costs there, where do you make up the difference? Are you receiving other grants? Are you floating bonds through a housing authority? Is there going to be, you know -- so what makes up the difference to make this affordable?

MR. HANDELMAN:

Let me just start with regard to the management company. Conifer Realty has its own management company. We manage all our units and we're involved in the construction and development of all our units. The nature of this type -- this type of project is there's frequently multiple sources of financing. In this case the primary engine for most affordable housing is the -- the federal low income tax credit, in which case we bring in investors who can take advantage of that tax credit. And that provides a significant amount of equity investment. In addition to that, there would be a conventional mortgage with a bank. And so those are the primary sources of funds.

LEG. SPENCER:

Don't you need a -- oh, your agency has that -- I know housing authorities came, but to issue those tax credits, you have to have a federally qualified agency. Your agency is able to do that?

MS. GARVIN:

We applied to New York State for the 9% tax credits for phase one. And then in addition to that, CDCLI is putting up \$500,000. And we applied to New York State Empire State Development for a million dollars to help offset the infrastructure cost. Because it's a mixed-use development; part of it's commercial, part of it's housing. And so we had to apportion costs accordingly.

Then phase two is going to be tax exempt bonds, the 4% bonds and a grant from New York State for the homes for working families. So those are all development subsidies or development grants that come in at the front end to reduce the cost of the development. There are no fees to the tenants per se other than the rents that they would be paying. And so that's pretty much how it'll be done.

LEG. SPENCER:

Thank you. I have many, many more questions in more detail, but I'll ask you those kind of privately and --

MS. GARVIN:

That's fine.

LEG. SPENCER:

I definitely appreciate what you're doing as an advocate that we need workforce housing and attainable housing here on Long Island. You definitely have my heart. Thank you.

MS. GARVIN:

Thank you, Dr. Spencer.

CHAIRMAN CALARCO:

Thank you. Are there any other questions for our presenters? And I guess what I would add in my district being one that is actually right across the street from where this project's taking place, 112 is the dividing line between myself and Legislator Muratore on this project, I can tell you that the community has been very involved in the planning of this particular project. They are very much on board. This location right now has just been a problem for the community for a very longtime. In

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fact, that's why they got -- they attained the Blight-to-Light status. We have homeless populations who make encampments on this property right now. So to be able to take it and turn it around and make it into a productive mixed-use project, one that is similar to other types of projects in the neighborhood, is something that is a very good thing for this community. And they're looking forward to it.

So thank you very much, Miss Garvin. And we appreciate you being here.

MS. GARVIN:

Thank you.

MR. HANDELMAN:

Thank you.

TABLED RESOLUTIONS

CHAIRMAN CALARCO:

Okay. We are going to move now into the agenda, into Tabled Resolutions. **IR 1316, Adopting Local Law No. -2013, A Charter Law to improve hiring opportunities for Suffolk County Residents. (Nowick)** Make a motion to table.

LEG. SPENCER:

Second.

CHAIRMAN CALARCO:

Second by Legislator Spencer. All those in favor? Opposed? Abstentions? **IR 1316 is tabled. (VOTE: 6-0-0-0)**

IR 1510, Adopting Local Law No. -2013, A Local Law to safeguard employees displaced by privatization. (Browning).

LEG. BROWNING:

Motion to approve.

CHAIRMAN CALARCO:

Motion to approve by Legislator Browning.

LEG. KENNEDY:

I would second that.

CHAIRMAN CALARCO:

Seconded by Legislator Kennedy. I'm going to make a motion to table. I do understand the intent of this law. And, actually, I do support it. I just think we need to get ourselves through the negotiation process with the AME contract before we move forward at this point in time.

LEG. SPENCER:

I'll second for purposes of discussion.

CHAIRMAN CALARCO:

Seconded by Legislator Spencer.

LEG. BROWNING:

Actually, I don't see the relation between the two, so that's why I would ask that you don't table it. I'm going to hear all kinds of stuff about the Taylor Law and all that good stuff. And I think we've already heard that that's not the fact, but where do you see --

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CHAIRMAN CALARCO:

We had much of that discussion. But Mr. Vaughn is at the podium. We'll let him have a few minutes to speak if he wants to add something in particular.

MR. VAUGHN:

Well, Legislator Calarco, I actually think that you said it quite well; was going to ask the Committee to consider the tabling motion on the same grounds.

We understand that there's a difference of opinion between the Administration and the sponsor of this legislation as to whether or not the Taylor Law applies. Our -- the County Attorneys think that it does. And I think beyond that we still remain that we have serious concerns with this legislation, but we do -- the reason that we see a comparison between the two is that there is a -- there are contract negotiations going on right now. And we really feel that to add another element to that at this point in time would just be simply muddying the waters. So we would ask that we consider a tabling motion for this cycle and then we can have a further prolonged discussion on what both sides feel are the merits of the bill in about a month or so.

LEG. BROWNING:

George, if you can respond on the Taylor Law. But, again, I would like to think that maybe AME would like to bring this to the table because we've had privatization already occur. When they become privatized, Taylor Law doesn't apply. And, you know, I know George has said that. And I hate to say, I think that we as a Legislature would like to make sure that Suffolk County employees, when they become privatized, would have some level of protection when they're privatized. And I don't think that's the worst thing that we could do for them.

I don't know what you're talking about when you say "muddying it up." I think protecting workers in general is a good thing. You know, we sit here, we talk about, you know, construction jobs and -- like Wyandanch Rising and the CDC project and we want to make sure it's done by union labor and prevailing wage. And I think that we're pushing for all these things for people who work in the private industry, but we're not prepared to protect County workers when they become privatized. I think there's definitely something wrong here.

But, George, if you could make a comment on the Taylor Law?

MR. NOLAN:

Sure. Yeah, the same comment I made when we debated this bill previously. An earlier iteration of it is I don't believe the Taylor Law applies. And I think the Legislature can pass this legislation if it chooses to.

CHAIRMAN CALARCO:

Legislator Spencer.

LEG. SPENCER:

I support protecting our displaced County employees. And I think my biggest concern, Kate, with the legislation is any time that you have a blanket sort of circumstances, like requiring 90 days for any privatization action, I think that in some cases that could inhibit the ability for us to be able to make agreements where we have stipulations that are attached, that are blanket. And I think there's sometimes unintended consequences where -- for different employees and different positions.

I mean, I think I would be all for maybe working with the Executive's Office or figuring out a way where we could put some safeguards in place, but to just blanketly say to any sort of privatization that involves employees, that it requires 90 days, in some cases 90 days may not be enough; in some cases it may cause interested partners to walk away from entering into an agreement. I think it kind of hogties us when -- any time we have a -- a mandate when we're looking to be more lean and nimble as a government to be able to address some of these issues. So that would be my

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concern.

LEG. BROWNING:

Okay. You know, California, Montgomery County, this is something that's been passed in other states and other Counties. And I don't -- you know, you made a comment about how it could make somebody walk away. And I hate to go back to the nursing home, but, you know -- or anything that we have that we privatized, that it could make that potential new owner or buyer walk away if we put some kind of level of protection for workers.

In other words, we're basically saying -- and I hate to say it, that -- your statement tells me, "well, if we privatize, I don't want to tie the hands of the new entity that's going to come in and take over our operation. And I don't want to protect the workers." That's what I heard was, "I don't want to tie the hands of that new owner and protect those workers from being able to keep a job for at least 90 days." Because that new owner could be a non-union employer. And now these workers as a union -- the people are the union. Okay? They would have an opportunity to stick together and hopefully give them a 90-day period to organize if they choose to and be able get some kind of level of protection and possibly collect a paycheck.

Because what happens, and I know from personal experience, in the private industry, when a company -- I'll go back to the school buses. When a -- we've seen it in Patchogue-Medford; a non-union company coming in. What do they do? They hire up as many people as they can. They get them trained. They get them ready. And as soon as they take over, they tell the workers that "we're union members, thank you, but we don't need you." And that's what can happen if we don't create some level of protection for these workers.

LEG. SPENCER:

The level of protection that's -- through the Chair, I apologize -- and that is absolutely -- you know, I'm sorry that you misconstrued my statement. It is my utmost concern to protect our County workers and respect what they're doing. I feel not that I'm trying to protect the perspective buyer from walking away: One, I think, the legislation falls short in terms of that it doesn't say under what circumstances they have to maintain that employment. They could cut their salary to a dollar and say -- as far as what the legislation is. But what it does, and I think that there is a collective bargaining process that takes place, you're setting a standard. Why 90 days? Where does that come from? Why not 180 days? Why not 30 days? And as far as when you look at -- (Laughter)

LEG. BROWNING:

You want me to make it more than 90? I can do that. And we do have -- we do have living wage laws. So, no, they can't pay you a dollar. There's a minimum wage law.

LEG. SPENCER:

I support the collective bargaining process.

LEG. BROWNING:

So do I, but let's give them an opportunity to get to that point. And that's -- we have -- we have what we call, you know, a minimum wage law. So they can't pay anything less than minimum wage. So you're not going to get paid a dollar. And the other part of it is, is that you're going to give them an opportunity as a unit to be able to organize and collectively bargain.

By not giving them any level of protection, they're out of a job. That's it. It's happened in the South Country School District with school bus drivers; it's going to happen in the Patchogue-Medford School District. And I can see that Suffolk County is doing the same thing and says "hasta la vista, County workers for all the work you've done all these years," you know, go ahead, cut them loose and not create some kind protection for them. I think we should at least do that.

CHAIRMAN CALARCO:

Legislator Gregory.

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LEG. GREGORY:

Thank you, Mr. Chair. I just wanted to chime in. I fully understand the sponsor's intent here. She wants to protect the workers. I feel uncomfortable and I've been on the record before, and guess I'll reiterate my position that, you know, as a legislative body, it's not in our purview to get in the middle of, you know -- our function in this whole process is to verify or validate or vote on the final contract. And I think that any measure short of that would be getting involved in the collective bargaining process.

We had the -- we had the public safety -- the security guards, right? And there was a whole lawsuit. And the lawsuit was based on the fact that in the contract, that you couldn't privatize a position and bring in -- you know, you couldn't eliminate public employees and bring in private -- a private entity to fill those functions, because that was negotiated in the contract.

I believe that if the union -- the union took a position to secure that -- that position, they can take the same position to say, "well, let's negotiate with the Administration." If it's important enough to them, that any time there is elimination of -- or privatization of a facility, or whatever the case may be, that there be a 90-day provision or a 180-day provision or a 12-month provision -- I don't know if that's -- I'm not attorney. I don't know if that's possible, but I would think that -- one concern I have is we haven't heard from the unions about this. And I would think that would be something that they would be negotiating.

Is that something that can be done, Counsel, through the Chair to the Counsel?

MR. NOLAN:

I don't think this is -- we're talking about collective bargaining, but I don't really think this is part of the whole collective bargaining issue; because you're talking about at the point where people are separated from County service, and what protections they're going to get then and in the process we're going to use to approve a privatization plan. So I --

LEG. GREGORY:

But wouldn't it be -- couldn't it be, I guess, is the question -- couldn't it be -- couldn't the union, whatever union, couldn't it be their ability to sit down with the Administration and say if there's ever an instance where the County's going to privatize a position, we want protections for our employees, or ex-employees, or give them 30 days or 90 days or whatever the case may be, is that what -- is that within the law? Or in their authority?

MR. NOLAN:

Is this something that could be negotiated?

LEG. GREGORY:

Right.

MR. NOLAN:

You know, I suppose it's something that could be discussed. I'm just wondering if -- you know -- I don't know the answer to your question to be honest.

LEG. GREGORY:

It's not impossible, I guess, right? I mean, I know that there's --

MR. NOLAN:

I really -- I would have to really look at that question and research it because it's the first time I've heard that particular question.

LEG. GREGORY:

I guess the second thing -- I see Mr. Kennedy, he's the canary with the cat (Laughter) -- he's waiting -- I know there was mention of other jurisdictions, I think at least one, Maryland, I think it

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was, they were -- that involves private unions, not -- it wasn't a municipality from my understanding. So it is different in some respects.

You know, I think we all want to protect employees, ensure they have the ability to organize. But I think -- you know -- I do think that there is some unintentional interference with the negotiations that are going on now. We do have a contract that's going to be voted on, in what? November -- shortly right after or before Election Day. I personally believe, and maybe I'm wrong, that the union can negotiate protections for their employees in the case of privatization. And I think they should do so. But I do respect the sponsor's intentions and I understand her concerns. And where there isn't a will, you know, sometimes we have to fill in that gap. But I think -- I don't know what discussions have been made on -- as far as that with the Administration and the union. I'll yield. Thank you.

CHAIRMAN CALARCO:

Legislator Kennedy.

LEG. KENNEDY:

Thank you, Mr. Chair. My reason and purpose for seconding the motion to approve is simple: As Legislator Gregory said, you know, there are a whole gamut of provisions under the Taylor Law that can be negotiated; but quite frankly as he did identify, we are neither AME nor are we the Executive branch of government. However, we have been just recently part of a process that separated over 350 employees from County service. And that's gone with a nursing home closure, a security guard divestment, an effort to privatize significant number of functions within Social Services.

And I am extremely concerned and troubled by it because the Taylor Law does bar management from actively attempting to undermine public function. Now the CBA does give the right to management to go ahead and identify an area and have the union come forward to provide an alternative proposal at the elements of cost. But, again, I am not an AME member. I'm simply a Legislator who's concerned that it appears that our workforce is becoming ever more at risk as areas become identified. And I think that it's prudent for us to be able to give those employees that type of 90-day extension.

Now, it would be up to management if they wanted to try to reflect a cost for an employee for a 90-day period and whatever the particular privatization concept was that was put forward. But, you know, once they leave us, the next place they're going to is unemployment. And we actually bear that cost as well. We have to pay the premiums. We're self-insured, I believe, under unemployment.

So I think, you know, in an environment where we're constantly looking at -- wrestling with the budget issues that we have, nevertheless, I think it's reasonable, fair and responsible to try to be cognizant of what that clerk typist who's making 35,000 or 40,000, and she or he is looking at free falling in -- you know, in some cases now, if the accruals are run out, a week, two weeks, three weeks after they get terminated. I think it gives them a least some measure of transition as we try to work with them, you know, through Commissioner Chu's department, to help get placed; or to migrate to other municipal entities. I know many of our employees went to Suffolk Cooperative, to the Community College, to libraries, to many different places. I don't think this is an unreasonable type of accommodation to give a measure of transition for those employees. And I absolutely do not believe we're interfering with the collective bargaining process at all.

So that's my take on it.

CHAIRMAN CALARCO:

Legislator Cilmi.

LEG. CILMI:

Thank you. So I'm a little torn with this resolution, because I completely understand and support

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conceptually what the sponsor is trying to do here. I think the desire to give our employees an opportunity to prepare themselves for a transition is important.

But on the other hand -- on the other hand I'm not sure that this is the way to do it for a variety of reasons, one of which is, as Legislator Spencer indicated, there are no safeguards in terms of, you know, what sort of employment our employees are going to find. And I recall articulating this argument once before at a General Meeting, I'm not sure if there was another bill that was similar to this that we addressed, but at the time I recall saying that I would prefer to require a 90-day period during which -- or prior to which we could transfer those functions so that those employees who were impacted could have, you know, that amount of time to seek other employment if they so chose. And during that period, of course, they would be receiving the exact same salary that they were receiving with the County. They'd be receiving the exact same benefits.

I think that's a cleaner way to do it. So I'm not really prepared to vote in the affirmative on this resolution, but understanding the reasoning behind it, I'm not thrilled with tabling it either at this point. So I'm not sure what the sponsor wants to do. I mean, I'd be willing to listen to a larger debate on the floor on Tuesday if that's -- you know, if you wanted to entertain a discharge without recommendation. I can't promise that I would -- I mean, at this point I can't promise that I would support it or not.

CHAIRMAN CALARCO:

Is that a motion, Legislator Cilmi?

LEG. CILMI:

I'll make a motion to discharge without recommendation, sure.

CHAIRMAN CALARCO:

Okay. So we have a motion to discharge without recommendation. Do we have a second to that motion?

LEG. MONTANO:

I'll second.

CHAIRMAN CALARCO:

Seconded by Legislator Montano. All right. We have a little bit of everything here. Legislator Browning.

LEG. BROWNING:

Let's go back and --

CHAIRMAN CALARCO:

Did you want to speak, Legislator Montano?

LEG. MONTANO:

Not on the record.

CHAIRMAN CALARCO:

Okay. Legislator Browning.

LEG. BROWNING:

Well, let me say, you know, to say that we're interfering with the collective bargaining agreement by doing this, I remember -- and John, I'm sure most of us were here when we voted for the cancer screening, Suffolk County employees get a four-hour cancer screening. That was not done through collective bargaining. That was done here at the Legislature. I believe I was one of the prime -- I was the prime sponsor of it.

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And I don't remember anybody ever saying that we were interfering with collective bargaining at that time. And so to me this really is not that much different, that we have passed something to protect the workers. To me it's not that different. And I -- you know, I would be happy to even withdraw this. I -- you know, I can support a discharge. I'd be happy to withdraw it if the County Executive -- if you guys would like to go back to the table with AME and do an amendment and put it in the contract. No, and -- all reality, this Administration claims to be pro-labor. We have a lot of very pro-labor people who work in this Administration with many union backgrounds. Mr. Chu, I hate to point you out, but I know you come from a big -- a good labor background. And so when this Administration talks about being pro-labor and pro-worker, hey, there you go, let's -- let's do an amendment and do that in their collective bargaining agreement.

MR. VAUGHN:

Well, Legislator Browning, I would say that I believe the Administration's already done better by including a no-layoff clause in the contract that's been negotiated. So, I don't really feel the need to advise us going back to do anything at this moment in time, although I do certainly appreciate the offer. I would like, if it's okay through the Chair --

CHAIRMAN CALARCO:

What are you asking for? Then I'll let you know if it's okay.

MR. VAUGHN:

Just permission to speak.

CHAIRMAN CALARCO:

Go ahead.

MR. VAUGHN:

Thank you very much. Just a couple of things that I would ask the -- that I would ask the Committee to consider.

Legislator Browning is right. There are similar pieces of legislation that exist in other -- in other municipalities. One of the ones that she cited was Montgomery County, which I believe is in the state of Maryland. As a matter of fact, one of the reasons that Montgomery County adopted this legislation was to provide their workers with the time and -- I believe the word they used was "notice and time that is given to our union employees" which is approximately 60 days; that protection that is currently in the union's contract that we have abided by every time that we have unfortunately had to go to a privatization or layoff scenario.

I would also state that while it is true we could -- you know, no entity that's coming into privatize could offer a doctor a dollar to stay on, I would also add that -- and we do have living wage -- living wage protections in place. I would certainly say that, Doctor Spencer, I would imagine that the salary of a doctor's quite a bit higher than what our living wage is unfortunately. And I think that it's reflective in terms of the skill that a doctor brings to a particular position as well as to the amount of education or however else we determine what people are paid and worth is.

I would also state that in both the case of New York City and Montgomery County, the legislation that they adopted was very specific to specific types of workers and not to a broad range of employees such as -- that we find in this legislation. In the specific case of Montgomery County, they define service contracts which is for people who provide security: Janitorial, building maintenance, food preparation, non-professional health care. And they are defined for the following facilities: Private schools, hospitals, nursing care facilities, hospital care providers, museum, convention center, arena, airport, music halls, etcetera.

And as I said before, the reason that these -- that this bill was passed was to provide those individuals who work in those locations with the same type of protections that municipal employees are getting in those counties.

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CHAIRMAN CALARCO:

Thank you, Mr. Vaughn. Legislator Gregory? No, you're done? Legislator Browning, did you want to respond?

LEG. BROWNING:

I'm just glad he talked about nursing home employees.

CHAIRMAN CALARCO:

Okay, very good. Alright. So if we're all --

LEG. BROWNING:

Yeah, I'll withdraw my approval and go with the discharge.

CHAIRMAN CALARCO:

Okay. So the motion to approve has been withdrawn. We have two motions before us. The tabling motion, I believe, goes first. All those in favor? Opposed? Opposed raise your hands.

LEG. CILMI:

(Indicating)

LEG. KENNEDY:

(Indicating)

LEG. BROWNING:

(Indicating)

LEG. MONTANO:

(Indicating)

CHAIRMAN CALARCO:

Tabling motion fails. So we have a discharge motion before us. All those in favor? Opposed to the discharge? Anybody opposed to the discharge? All right, I'm not opposed now. We have the vote on the approve -- for the -- yes. Any no's on the discharge motion? Okay, so the motion is discharged without recommendation. **(VOTE: 6-0-0-0)**

Moving on, **IR 1533, Directing the Department of Economic Development and Planning, in partnership with State and County Institutions of Higher Education, to study the feasibility of constructing affordable housing for young professionals. (Anker)** I have been advised that this sponsor is looking to table this.

LEG. CILMI:

Motion.

CHAIRMAN CALARCO:

So I will make the motion; second by Legislator Cilmi. All those in favor? Opposed? Abstentions? **IR 1533 is tabled. (VOTE: 5-0-0-1. LEG. MONTANO NOT PRESENT)**

IR 1653, Approving the appointment of Thomas G. Gallagher as a member of the Suffolk County Commercial, Industrial, Residential Septic Tank/Sewer Drain Treatment, Bacteria Additives and Maintenance Board. (County Executive) Is Mr. Gallagher here?

MR. VAUGHN:

Legislator Calarco, we had actually filed this bill as an appointment. It should have been filed as a reappointment. And as a reappointment Mr. Gallagher does not need to be here.

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CHAIRMAN CALARCO:

Okay. This is a reappointment. Alright. And it's been amended, I've been advised by Counsel. So I have a motion by Legislator Cilmi. I will second that motion. **IR 1653 is approved.**
(VOTE: 5-0-0-1. LEG. MONTANO NOT PRESENT)

Is it the same with IR 1654? Is Mr. Macchio here? Oh, okay, please come forward. I'm sorry to keep you waiting through all of this. Had I known you were here, we would have called you forward sooner. Thank you for your patience. And, please, if you just give us a little bit of information about yourself and why you'd like to serve on the board.

MR. MACCHIO:

Okay, got it. Steve Macchio; reside at 19 Talon Way, Dix Hills. I have 31 years experience in the wastewater business, septic business from installing tanks to servicing tanks to maintaining the systems. I understand the importance of installing the system properly, maintaining the system properly and the effects that this system has on our groundwater. So I feel like I can bring a lot to the table.

CHAIRMAN CALARCO:

Great. Thank you very much. Does anybody have any questions? Legislator Horsley.

D.P.O. HORSLEY:

I just wanted to throw my two cents in on Steve. He's a business person in the Town of Babylon who owns and operates a business that has a lot of employees. He's always been ethical; he's always been innovative and creative in the field of wastewater.

MR. MACCHIO:

Thank you.

D.P.O. HORSLEY:

And I highly recommend him as somebody that should be on this board.

MR. MACCHIO:

Thank you.

CHAIRMAN CALARCO:

Thank you very much. Okay, I don't think I've even called the bill in yet. So we have before us **IR 1654, Approving the appointment of Steven Macchio as a member of the Suffolk County Commercial, Industrial, Residential Septic Tank/Sewer Drain Treatment, Bacteria Additives and Maintenance Board. (County Executive)** I have a motion -- I'll make the motion to approve.

LEG. CILMI:

Second.

CHAIRMAN CALARCO:

Second by Legislator Cilmi. All those in favor? Opposed? Abstentions? **IR 1654 is approved.**
(VOTE: 5-0-0-1. LEG. MONTANO NOT PRESENT) Thank you very much, Mr. Macchio for your willingness to serve the County.

MR. MACCHIO:

Thank you.

CHAIRMAN CALARCO:

And you do not need to be here next week for the full legislative meeting.

MR. MACCHIO:
Okay, thank you.

CHAIRMAN CALARCO:
Thank you.

INTRODUCTORY RESOLUTIONS

Okay, moving onto Introductory Resolutions, **IR 1723, Amending Resolution No. 894-2011, to change the membership of the Suffolk County Pet Store Rating Board. (Spencer)**
Legislator Spencer?

LEG. SPENCER:
Motion.

CHAIRMAN CALARCO:
Makes a motion to approve. I'll second. All those in favor? Opposed? Abstentions? **IR 1723 is approved. (VOTE: 5-0-0-1. LEG. MONTANO NOT PRESENT)**

IR 1793, Amending the hourly rate for a title in the Suffolk County Temporary Classification and Salary Plan (Labor Technician) (County Executive)

LEG. BROWNING:
Can I have an explanation why --

CHAIRMAN CALARCO:
Yeah, could we have an explanation? Maybe Commissioner Chu could come up and just explain what they're looking to do here.

COMMISSIONER CHU:
I would be glad to explain. So, the last time these wage were amended, was through a reso in 2005 which -- which allowed for incremental increases over 2005, 2006, 2007. So the last time there was an actually change to this salary grade was 7.90 an hour. The labor -- the temporary labor tech position, you know, does require a bachelor's degree. We have -- one of the things that I discovered when I came into the Labor Department was that there were times where because of the inability to bring on temporary staff to -- it inhibited our ability to provide for grants.

So this is just correcting the wage, bringing it into -- if this doesn't get amended shortly, it'll find itself below minimum wage, at which point it would have to be amended anyhow. And it will just allow us to recruit people at a more appropriate salary grade for these positions when they're appropriate.

CHAIRMAN CALARCO:
Did you say that you need to have a bachelor's degree in order to fill this position? Did I hear you correctly?

COMMISSIONER CHU:
I'm sorry. It's an associate's degree. And there are equivalents.

CHAIRMAN CALARCO:
Okay. And this is a Civil Service title?

COMMISSIONER CHU:
It is, yes.

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CHAIRMAN CALARCO:

Okay. Legislator Browning.

LEG. BROWNING:

Can you give us a job description of the labor tech? Because my understanding is that the labor techs, many of them are the ones who drive the DOL workers and the vans and supervise them.

COMMISSIONER CHU:

Those would be labor crew leaders. Labor techs are more on the end -- my labor techs serve in a -- I mean, I can read you right from the Civil Service package. Is that helpful?

LEG. BROWNING:

Sure, that'd be great.

COMMISSIONER CHU:

Under direct supervision, an employee in this class performs routine entry level -- I'm sorry -- I'm reading -- I have an error. I'm reading you the mistakenly printed laboratory technician. Hold on a second. And I was not in error for -- correction. It is a bachelor's degree. But, for the record, a laboratory technician requires an associate's degree. My apologies for the confusion.

An employee in this class is responsible for supervising, monitoring, evaluating a crew of participants engaged in carrying out assignments of various sites within the County. This also sets up -- this is -- so that's -- you know, our labor crew leader also does similar tasks. And supervision is received from labor specialists who review, work the conferences and periodic special activities and does related work as required. Typical work activities can set up and supervise daily signs for participants. And they do drive participants -- you are correct, Legislator -- drive participants to and from work of training sites. And also -- and this is the more common function of the labor tech as we use in the labor department -- advise participants in employment and training, seasonal field work programs about the proper modes of dress, grooming and management required in the world of work, advise participants of available literature and sources of information concerning business, construction trades and vocational schools, attends conferences with other departmental staff members to discuss activities and evaluate and recommend future changes or improvements to program activities.

Finally, it says labor specialist in the development of employability plans, identifies {bars} to employability and offers recommendations to remove them, prepares and submits required forms and reports.

CHAIRMAN CALARCO:

Mr. Chu, I got a question for you. What's the minimum wage for -- under the County's Living Wage Law?

COMMISSIONER CHU:

The minimum wage for the Living Wage Law without benefits, I believe, is 11.90. And I think with the -- with -- with -- without fringe -- I'm sorry, with benefits is about 11.90. I think with fringe, I could be mistaken, don't hold me to it, is about 12.60.

CHAIRMAN CALARCO:

So we're not even in compliance with our own Living Wage Law? Where the current salary for this bachelor -- this individual who must have a bachelor's degree.

COMMISSIONER CHU:

Or equivalent, yeah.

CHAIRMAN CALARCO:

Yeah, okay. Well, I'm for making sure people are making a living wage. That's why we passed the

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law. Okay. I don't have any questions.

COMMISSIONER CHU:

And just for reference --

LEG. BROWNING:

Does that change -- does that change the grade at which they start? I mean, like a new person coming in, it'll now change the grade because of the pay increase, correct?

COMMISSIONER CHU:

It would not -- this is a part-time position, so.

LEG. BROWNING:

Part-time?

COMMISSIONER CHU:

Yeah, this is for the part-time salary. For instance, in comparison a full-time labor tech coming in would make \$22. And that's not including fringe benefits. So this is -- this is for part-time salary, would still be well, you know, well below. It still would be modest in comparison to our current salary.

LEG. BROWNING:

And we currently have part-time employees?

COMMISSIONER CHU:

For this position we don't have -- we currently don't have anyone in this position. But, as I said, it has been -- our inability to bring on temporary positions has inhibited our ability to do -- to apply for certain grants that would require additional staff.

LEG. BROWNING:

Are we planning to fill those part-time positions?

COMMISSIONER CHU:

We don't have any that have been submitted. Again, we would use them for -- this could be a tool for, again, temporary assignment where we would not be in a position financially to take on a full-time employee.

CHAIRMAN CALARCO:

Good. I don't think I have any other questions from the Committee. Do I have a motion yet? I don't think so. I'll make the motion to approve; seconded by Legislator Browning. All those in favor? Opposed? Abstentions? **IR 1793 is approved. (VOTE: 5-0-0-1. LEG. MONTANO NOT PRESENT)**

IR 1803, Authorizing funding of infrastructure improvements and oversight of real property under the Suffolk County Affordable Housing Opportunities Program (Wyandanch Rising Building B) (County Executive)

I'll make the motion to approve.

LEG. BROWNING:

Second.

CHAIRMAN CALARCO:

Second by Legislator Browning.

LEG. CILMI:

On the motion.

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CHAIRMAN CALARCO:

On the motion, Legislator Cilmi.

LEG. CILMI:

So here we are again, I'm wondering is it just a function -- maybe through the Chair to Counsel, is it a function of what the Capital Project numbers are that brought to us a resolution yesterday to appropriate or authorize two-and-a-half million dollars of infrastructure improvements for Wyandanch Rising through our Economic Development Committee? And now we have another appropriating, or authorizing resolution rather, for one-and-a-half million dollars also for infrastructure improvements also for Wyandanch Rising. Why the two different committees? Is it just a function of the two different Capital Projects?

MR. NOLAN:

Well, this one comes here because it's -- you know, this is an affordable housing committee. This is using affordable housing monies. It really has to do with the jurisdictions why they ended up in separate committees.

LEG. CILMI:

Okay. So, yes, it's as a result of the types of Capital Projects.

MR. NOLAN:

I forget what yesterday's resolution did, but there was a reason it ended up in that Committee.

LEG. CILMI:

It was for the Jump Start. It took two-and-a-half million dollars from the -- which was all of the Jump Start money for this year apparently and gave it to the Wyandanch Rising Project for infrastructure.

MR. NOLAN:

Right, it was an economic development Capital Project. This is affordable housing money under Article 36 of the Administrative Code. They go to different committees.

LEG. CILMI:

Right. So can somebody tell me what -- in terms of the use of money, if the use of -- of this million and-a-half dollars differs in any way from the use of the two-and-a-half million dollars that we --

CHAIRMAN CALARCO:

Is Jill still here? Jill Nikoloff? She just stepped out. Perhaps --

LEG. CILMI:

I see the fellow from Babylon.

CHAIRMAN CALARCO:

I see somebody from the Town of Babylon looking to get up? Jonathan? Jonathan Keyes from the Town of Babylon had maybe some information? And maybe you could perhaps not just tell us what the money that was approved yesterday is being used for and the money today, but give us an overall picture of what you're looking to have the County fund for this project.

MR. KEYES:

Yeah, sure, I'd be glad to. Thank you. So, again, just for the record, Jonathan Keyes, Director of Downtown Revitalization for the Town of Babylon.

So, yesterday's funding in particular was for public improvements and infrastructure improvements necessary to support this development. The funding before you today is for the private developer for his site improvements, for things, I believe, such as lighting, sidewalks, parking lot. And it's to support in particular the affordable housing development from the private developer on that site.

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LEG. CILMI:

This is all on-site improvements similar to what we're being asked to approve for 1804 for CDC. For Wincoram.

MR. KEYES:

I believe that's -- yeah, I mean, I don't have -- I don't have the 1804...

MR. VAUGHN:

Yes.

LEG. CILMI:

Thank you. Thank you, Tom. Okay. Could they have used the two-and-a-half million, or any of the two-and-a-half million dollars that we approved yesterday for the items that this million and-a-half is going to go towards or no?

MR. KEYES:

No, these are funding separate items.

LEG. CILMI:

I understand that they are funding separate items, but could they have -- could they have funded the same items? No.

MR. NOLAN:

Infrastructure improvements related to affordable housing are funded exclusively through this program Article 36, the Affordable Housing Program. So, no, they couldn't -- I don't believe they could.

CHAIRMAN CALARCO:

We have Jill back in the room. Perhaps she can answer the question a little more clearly about what the County -- our various programs, what they can or cannot do. I don't think that's the appropriate question for Jonathan.

LEG. CILMI:

I'm happy to listen.

DIRECTOR ROSEN-NIKOLOFF:

Right. So the funding source here is Capital Program 6411. It is specific to infrastructure improvements, on-site infrastructure improvements to offset costs specifically for affordable housing.

LEG. CILMI:

Okay.

DIRECTOR ROSEN-NIKOLOFF:

Jump Start is a broader economic development program.

LEG. CILMI:

Okay. Well, that answers my question. As I said yesterday, I am -- we've already approved quite a bit of -- well, we approved the waiver of sewer connection fees for Wyandanch Rising. I supported that. I think the project has the potential to be a wonderful project. I'm not sure that anyone else has any questions. In this particular program, how much -- how much is left in this particular program after both of these resolutions are approved?

DIRECTOR ROSEN-NIKOLOFF:

There would be -- if both of these are hopefully approved, there would be about 4 million -- 4.2 million.

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LEG. CILMI:

Remaining?

DIRECTOR ROSEN-NIKOLOFF:

Right. Plus we got an additional two million five adopted in the 2014 Budget. So next year would be another 2.5 available.

LEG. CILMI:

Okay. Alright. Thank you very much, Jill.

CHAIRMAN CALARCO:

Thank you, Jill. Jonathan, if you could just come back up for one quick second. I had a couple of questions. And I guess Tom led me down the path and we didn't quite get there all the way.

LEG. CILMI:

Sorry.

CHAIRMAN CALARCO:

No, that's okay. So we approved -- how much was approved yesterday for work -- is that work the Town of Babylon's going to do?

MR. KEYES:

Yes. Yeah, that was 2.5 million through the Jump Start Fund.

CHAIRMAN CALARCO:

And that's all work the Town of Babylon's going to do to -- say the roadways, that kind of stuff?

MR. KEYES:

Yeah, it's public improvements at that site.

CHAIRMAN CALARCO:

Okay. And this the actual second installment of workforce housing money that Wyandanch Rising is seeking; correct?

MR. KEYES:

Yes. Yes, for the second building.

CHAIRMAN CALARCO:

Is there going to be another ask?

MR. KEYES:

That would be an answer for the developer.

CHAIRMAN CALARCO:

Well, is it -- is there plans for another -- another residential building that's going to be asked? Maybe the developer should come up and answer the question then? I guess what we're trying to do, and I think what Legislator Cilmi was trying to get a handle on, is exactly how much of an investment is the County making into this particular project as an all -- overall concept? And not just, you know, this building, that building, this sewer grant, you know. I think he was trying to get a better handle of exactly what our whole investment will be regardless of where those funds are coming from. So is there an idea of building another residential property that's going to have another ask out of the Workforce Housing Program?

LEG. CILMI:

If I could just add to your question, since it referenced my question, that was my question yesterday when we talked about the two-and-a-half million dollars. And nobody brought up the

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one-and-a-half million dollars that we were going to be asked to approve today.

CHAIRMAN CALARCO:

So we're going to try to get a handle today.

LEG. CILMI:

Terrific.

MR. ARIDAS:

I can't speak to your question about the overall investment that the Town is planning. I will say that from the developer's perspective, the next building we hope to do will be a commercial building to bring in more jobs and employment within the area. The first two buildings as affordable and mixed income were to -- you'll pardon the expression from yesterday's funding -- jump start the development within the area, we hope that as we move forward with more -- more residential projects, there will be an ownership component and that they will be more market-driven. So we're trying to establish a market here and need this support. We do not on -- on planning right now have another building in mind for the workforce housing.

CHAIRMAN CALARCO:

Okay. Thank you. Because I know this is very well thought out put together plan that the Town is kind of leading the charge on. And I know the Albanese Corporation is doing a lot of the construction on, but I know it's been a very well thought out plan. It's not like we're running around willy nilly over there without an idea of what we're doing. So we just wanted to kind of a get handle of what it is that's going to be asked from the County. So is there any -- moving forward, after these two proposals go forward, what's before us today and what was approved yesterday, is there going to be any further requests from the County for assistance for the project?

MR. KEYES:

I mean, just to take a step back, I can say that we have for this -- for phase one of this development, which is the two buildings you've already heard about and the third building, the commercial building on the private side. It is a roadway network, a public plaza, a new train station on the public side. It also includes the construction of a new parking facility that the Long Island Railroad is constructing. We have accumulated various sources from all levels of government up to the Federal government. We've received over -- we've received \$7 million through the State in the past two years.

For phase one the two-and-a-half million dollars will go towards those public improvements, the roads, the plaza. And that will allow us to complete phase one as far as our plans are for the immediate short term build-out; the phase one build-out.

CHAIRMAN CALARCO:

Great. Thank you very much, Mr. Keyes. Legislator Cilmi has another follow-up question.

LEG. CILMI:

Yeah, I don't think we got an answer. I'm not sure that anyone here is prepared to give us an answer. It sounds like we have -- how many phases is this whole Wyandanch Rising project?

MR. KEYES:

It is -- the full build-out is in the order of 800 to 1200 units. So it's a multiphase project. We know what we're facing right now in the short term over the next few years. And that's the phase one build-out, which is the roads, the plaza and the buildings that are described.

LEG. CILMI:

So phase one should take us through how many years approximately?

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MR. KEYES:

That would be over the next, I would say, two years.

LEG. CILMI:

Oh, only two. Okay. So it's conceivable, then, that a year from now you'll be coming back to us, or somebody will be coming to us and asking us for more money.

MR. KEYES:

It's conceivable that as the project advances and we move into new areas of development, it's -- you know, it's a 40-plus acres of development that we have under our scope that we're looking to redevelop. It's certainly conceivable that we can come before you again in the future.

LEG. CILMI:

Forty -- so the whole thing is 40-plus acres?

MR. KEYES:

Yes.

LEG. CILMI:

How many acres is phase one?

MR. KEYES:

Phase one comprises a roughly 20-acre site. And the smaller component that we're focussing on is 6 or 7 acres, I believe, right by the train station.

LEG. CILMI:

Okay. Let me ask the question a little bit differently then. Does the Town of Babylon or the developer -- or anybody for that matter, including the County Executive, plan on coming to -- plan on coming to us at any point in the future for more funding for phase one?

MR. KEYES:

I can't rule that out right now, but I don't -- you know, I couldn't say for certain either way.

LEG. CILMI:

I mean, the pockets aren't that deep, you know. I don't know what everyone thinks our taxpayers are able to afford here but, you know, we just can't continue to dig into our pockets for money that we don't have. I mean, there was a comment yesterday during our committee meeting that the money's budgeted for. But a budget is just a piece of paper. I mean, this isn't -- this isn't money. We have to go and borrow this money and pay interest on the money. Do we get any -- do we get any ownership interest in this project as a result of the money that we're investing?

CHAIRMAN CALARCO:

That's probably a question for Miss Nikoloff. Jill, do you have an answer for that? It's certainly not one that Mr. Keyes would be able to answer. How does the process work? I think you explained it earlier, but go ahead and go through it again.

DIRECTOR ROSEN-NIKOLOFF:

Hi. No, we don't take an ownership interest. We just have our interest secure -- we take an ownership interest through an easement for purposes of bonding. We don't take title.

LEG. CILMI:

Were there IDA -- any sort of IDA benefits that were -- or any benefits that basically impact our ability to collect taxes on these properties?

CHAIRMAN CALARCO:

We're asking if there's any IDA monies associated with this project.

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MR. KEYES:

There's a pilot on the first building. And there's an anticipated pilot for the second building.

LEG. CILMI:

But does the pilot include the County? Do we get any tax revenue from this or payments in lieu of tax revenue?

MR. KEYES:

That would be a question for our IDA. I couldn't answer that.

LEG. CILMI:

Well, I mean that's an important question; because if we're foregoing \$11 million in sewer connection fees, and we're borrowing two-and-a-half million dollars yesterday through Jump Start and now another million and-a-half dollars through this program, and we're giving up taxes as well, and you're telling me that this is only a small part of phase one and you can't guarantee that through the remainder of phase one and the multiple phases that the project envisions, you won't be coming back to us for additional money, it's a big County. There are ten Towns in this County. And I would venture to guess that each of them has their own projects that they think are important. We can't just fund, you know, this continually. Is there anybody who can speak to that IDA component here? Tom, can you speak to that?

MR. VAUGHN:

Legislator Cilmi, I don't have answer on the IDA component, but I'd be more than happy to speak our IDA and get an answer for you prior to Tuesday.

LEG. CILMI:

All right. I mean, I'm willing to -- I'm willing to support this resolution today. As I said, I support the project conceptually. I think it will do great things -- or hope it will do great things for not only the community of Wyandanch but for the Town of Babylon and for Suffolk County. But we cannot continue to reach into a well that's empty.

So, I'd like before Tuesday, Tom, if you could provide us with some more details in terms of any tax benefits that we may be giving up for this project; and then if you could also, you know, provide us with -- as the Chairman said, this is a project that has been well thought out, well planned out over the last couple of years, I believe, so we should all have a pretty good idea of who's going to be asking for funding and when from the County's taxpayers.

So if you could provide us with as much information as possible by Tuesday so that when I'm asked to vote, I have that information in front of me. Thank you.

CHAIRMAN CALARCO:

Okay. Legislator Montano has a question.

LEG. MONTANO:

Yeah. No, I have a question for the developer. You can step down young man.

Hi, how are you? Just had a question; it's late so I'm not going to belabor this. But when you did your studies, I guess, your feasible studies as to whether or not the units could be rented, whether or not there was a market out there, when you went to your banks to get loans so that you could finance the project, were these subsidies or these grants that you're now asking for, were they included in your initial cost projections or are these add-ons? Do you follow my question?

MR. ARIDAS:

Well, if -- I do. There are two parts to it. The first is whether the demand studies and rental level studies anticipate the grants and the support. And the answer there is no; those are done independently in terms of look at what the demand is, where the price points are and what the

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capture rate would need to be in the defined area.

LEG. MONTANO:

So, are these -- I mean, it's a simple math issue. You determine how much it's going to cost you to build, and then you determine how much you need to charge in rentals so that you can make your profit back and you can get your -- you can pay your bills. But in between there, what, I guess, it's leading to is that we are now providing millions of dollars in additional benefits to the developer that must have been or should have been included in your original assessment; am I correct?

MR. ARIDAS:

As I said, your question had two parts. I answered the first; let me answer the second.

LEG. MONTANO:

Well, go ahead.

MR. ARIDAS:

First part, you're asking me did -- did the analysis of whether or not these could be rented include the subsidies. That answer is no, it's an independent.

LEG. MONTANO:

Alright. So, what's the --

MR. ARIDAS:

The economics -- the second part is when you -- when a developer does the entire sources and uses, are the uses offset by anticipated sources. And that answer is yes, we anticipated certain levels of subsidy. So for this particular building --

LEG. MONTANO:

How much --

MR. ARIDAS:

For this particular building, we had levels of subsidy, levels of support and levels of private investment. The private investment is a little larger than we had anticipated. The subsidy needed to be a little larger than was initially anticipated because of some of the design issues and some of the construction issues.

LEG. MONTANO:

Alright. So --

MR. ARIDAS:

However, if I could speak to a larger issue that's coming up, we're talking about a multiyear project that will lift an entire community, not just phase one. I've been involved in these on the public side and on the private side. I've seen the multiplicity of taxes that come in the later years on the initial investments. So any individual building in the first couple of phases from a public side is going to look like it's a lost leader. But in the long-term in terms of the impact that that development will have on a greater Wyandanch area, it will come back in taxes and in economic opportunities.

LEG. MONTANO:

I do appreciate the long-term economic analysis, if I may, but the question that, I guess, we're dealing with now is that you said that you did anticipate public funding in your assessment for this project; right?

MR. ARIDAS:

Yes.

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LEG. MONTANO:

How much did you anticipate the public funding would provide? And have you reached that amount at this point in time? Or are you under or over what you had originally projected? Do you get my question?

MR. ARIDAS:

I do. The package I handed out before in the last page shows an estimate of the sources that are in for this building in the -- and when it's permanently financed. The investment of the developer that is shown there as Developer Equity is significantly larger than the initial estimates were. So am I over on cost or under on subsidy? Both of those. I will tell you that the developer is investing more than anticipated.

LEG. MONTANO:

Are you getting more than anticipated in subsidy or are you getting less than anticipated or are you at the break-even point? If you know. I mean I didn't --

MR. ARIDAS:

I am at a break-even point. I am getting about as much as I anticipated. It costs a little bit more than anticipated.

LEG. MONTANO:

That's on the developer's side.

MR. ARIDAS:

On the developer's side.

LEG. MONTANO:

Right. But that doesn't affect your -- you're not coming back -- the question that was posed was whether or not you're coming back to us -- since your development costs are rising, you obviously either have to raise your rent or you have to get more subsidies to meet that; am I correct?

MR. ARIDAS:

Correct.

LEG. MONTANO:

So I think the question that was posed is are you coming back to us or do you need to come back us for more or an increase in the subsidy component so that your investors are satisfied that the project is a viable, feasible project?

MR. ARIDAS:

I will not come back on the first building or on the second building. We are making an investment --

LEG. MONTANO:

The second building is commercial so --

MR. ARIDAS:

The second building is mixed-use.

LEG. MONTANO:

Okay.

MR. ARIDAS:

That's the one before you now. The first building is under construction.

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LEG. MONTANO:

Okay. So this is the second building.

MR. ARIDAS:

The second building. The third building will be a commercial. And hope not to have --

LEG. MONTANO:

-- a need to come back for subsidy.

MR. ARIDAS:

-- to come back. We are making as developers an investment in these first two buildings in anticipation that subsequent buildings will be market-driven and will give a greater return than we are getting on these first two building. So we are with you making --

LEG. MONTANO:

Right, I get you. And I appreciate that. I'm going to end this because we only have one more bill. With respect to the --

MR. ARIDAS:

I wish I only had one more bill.

LEG. MONTANO:

Well, we've been here for a while now. With respect to the market-driven aspect of the rental units, you've targeted your -- your rental at a certain level in order to hit your break-even or your profit point; am I correct?

MR. ARIDAS:

Yes.

LEG. MONTANO:

What happens if you don't -- if the market and your studies don't reflect the real world and you cannot rent the units at the price that you have set? What is your anticipated game plan there? What do we do with that?

MR. ARIDAS:

The market that we have done, and we have two components, right? We have the units that are -- whose rents are controlled. The affordable --

LEG. MONTANO:

The affordable ones. I'm dealing with -- my question goes to the market.

MR. ARIDAS:

The market -- the market has been priced at below what market is commanding in Suffolk County at this point. The market is very tight and there's very little supply. I think Miss Garvin talked about what Avalon is getting in their fully market -- we are nowhere near those rents in our pricing so we have room.

If the market is not there, we will, by demand, lower the rent until such time as they are rented and we see that our vision in terms of the park and in terms what happens to the community, allows us to raise those rents moving forward.

LEG. MONTANO:

Right. But if the market -- the only point I'm making, and hopefully you can do this in 30 seconds, is that if the market that you project isn't met, what you're saying is you're going to continue to lower the rents until you can rent the units.

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MR. ARIDAS:

That's what you have to do.

LEG. MONTANO:

And at some point your -- it's conceivable that your lowering of the rent brings you below where you should be on a profit margin; am I correct? I mean, you don't want to get there, but --

MR. ARIDAS:

I don't want to get there. That's the development risk.

LEG. MONTANO:

Okay. Alright, thanks.

CHAIRMAN CALARCO:

Legislator Horsley.

D.P.O. HORSLEY:

Yeah, hi. The gentleman from the Albanese organization -- I'm sorry -- I couldn't recall -- how are you? I just have two quick questions. And I want to make a point. One is the IDA relationship, is that with the Suffolk County IDA or is that with the --

MR. ARIDAS:

Town of Babylon.

D.P.O. HORSLEY:

That's what I thought.

MR. ARIDAS:

Yeah.

D.P.O. HORSLEY:

So that should be noted by Legislator Cilmi in his configurings. The IDA is -- the deal with the IDA is with the Town of Babylon IDA, just so understand that, for whatever --

LEG. CILMI:

But we're impacted. We could be impacted by it.

D.P.O. HORSLEY:

Oh, absolutely, absolutely. My understanding of IDA pilots generally if there's a pilot it would go to all taxing jurisdictions. I just -- that would be the standard. I don't know if this one is the same. I can't imagine that we'd be cutout. That wouldn't make any sense to me. But, lastly, I want -- the point I wanted to make was when we give you this waivering of the sewer fees to the project itself, that doesn't mean that you're waiving the user fees.

MR. ARIDAS:

No, it does not. It's the capital money.

D.P.O. HORSLEY:

Yeah, for the entire project until the use of the project for years to come, the sewer use fees are going to be paid. So the sewers eventually will be made whole as well as the members of the Southwest Sewer Districts.

MR. ARIDAS:

Correct. And my understanding is that the waiver sunsets in terms of future buildings.

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D.P.O. HORSLEY:

Oh, I forgot that part. So after the third -- after the first phase?

MR. ARIDAS:

It's based upon the number of years after the sewers are put in service. So it's a function of how many buildings get built within that time.

D.P.O. HORSLEY:

Oh, that's interesting. So that is your -- that is your purpose, then, would be to get this project done as quickly as possible. That'd be an incentive.

MR. ARIDAS:

That would be an incentive. Of course, it's market-driven by, you know, what the --

D.P.O. HORSLEY:

I understand. You don't want to -- you don't want to go totally off the cliff if that happened.

MR. ARIDAS:

Right.

D.P.O. HORSLEY:

But what you're telling me is that --

MR. ARIDAS:

But in no event is a user fee waived.

D.P.O. HORSLEY:

Right. And, Mr. Cilmi, I wanted you to know that as well, the user fees are not waived to the Southwest Sewer District. So it's just the hookup fees. I didn't know if you knew that, but I just wanted to point it out. Okay.

MR. ARIDAS:

Thank you.

CHAIRMAN CALARCO:

Very good. I have one more speaker, Legislator Cilmi. And I just want to remind the Committee it's now 2:30 and we're supposed to be starting the Health Committee shortly so please keep your comments brief. We have another resolution that will bring some more conversation. Legislator Cilmi, go ahead.

LEG. CILMI:

Yeah, just another question for the gentleman from the Albanese organization. I just wanted to make sure that I was reading this properly. You directed us to the last page of your handout. And if I do some quick math, it appears to me that roughly 18 or \$19 million here of private money, combined developer equity and mortgage equity and 18 or \$19 million of public money; is that -- am I reading this correctly?

MR. ARIDAS:

It depends upon what you're considering public money.

LEG. CILMI:

Well, that's my question, really. So I see -- I see a Homes for Working Family Subsidy; I see a Homes Grant; I see a Federal Neighborhood Stabilization Funds; I see a Tax Credit Equity Investment, which is the largest of all of them.

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MR. ARIDAS:

Tax Credit Equity is a private investment.

LEG. CILMI:

That's a private investment.

MR. ARIDAS:

Yes.

LEG. CILMI:

Okay. Okay, so I'm incorrect then. So it's predominantly private money, then.

MR. ARIDAS:

It's predominantly private money.

LEG. CILMI:

Right. Okay. Thank you. Thanks for clarifying.

CHAIRMAN CALARCO:

Thank you. Okay. I think we've exhausted all the questions here. Do I have a motion on this? I do? Do I have a clerk? I need a clerk. We lost our clerk. We wore her out. (Laughter) Does anybody else have any other questions to fill some time?

Okay, while we're waiting for the clerk, what I'm willing to do is move onto 1804. IR 1804, which is the Wincoram project in case any of the members of the Committee have any questions for the developer -- Jill, or anybody on Wincoram? Yes, no? It seems not. Okay. So we're just waiting for the clerk.

LEG. CILMI:

I have a question for Tom Vaughn.

CHAIRMAN CALARCO:

On one of these resolutions?

LEG. CILMI:

What's that?

CHAIRMAN CALARCO:

On one of these two resolutions?

LEG. CILMI:

Yeah, yeah, just to clarify my request for information for Tuesday's meeting, and it just went completely out of my head. Oh, I know. With regard to the tax question, the pilot question, if you could provide us with what the tax revenue to us would -- if there if -- if we are sacrificing some tax revenue here, if you could provide us with what the normal tax revenue would be under non-subsidized circumstances, and what we are receiving so we have a way to look at it relatively, that would be great.

MR. VAUGHN:

See what we can do.

LEG. CILMI:

Well, I appreciate that.

CHAIRMAN CALARCO:

Okay, we have the clerk back. So we're going to move on where we were. Do I have any motions

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on 1803? I do have a motion and a second.

MS. ORTIZ:

Yes.

CHAIRMAN CALARCO:

Okay. All those in favor? Opposed? Abstentions? **IR 1803 is approved. (VOTE: 6-0-0-0)**

IR 1804, Authorizing funding of infrastructure improvements and oversight of real property under the Suffolk County Affordable Housing Opportunities Program (Wincoram Commons) (County Executive). Motion by Legislator Kennedy; I'll second the motion. All those in favor? Opposed? Abstentions? **IR 1804 is approved. (VOTE: 6-0-0-0)**

HOME RULE MESSAGE

I have a Home Rule Message here, **Home Rule number 9, Requesting the State of New York to enact legislation authorizing the County of Suffolk to establish a County-wide Master Electrician Licensing Program (Senate Bill No. S.5132 and Assembly Bill No. A.7298) (Cilmi)**

LEG. CILMI:

Motion to table.

CHAIRMAN CALARCO:

Motion to table by Legislator Cilmi. I'll second the motion. All those in favor? Opposed? Abstentions? Home Rule number 9 is tabled. **(VOTE: 6-0-0-0)**

I have nothing else on the agenda.

LEG. CILMI:

Chairman? Just very, very quickly.

CHAIRMAN CALARCO:

Sure, Legislator Cilmi.

LEG. CILMI:

Sam -- to Commissioner Chu, you have a fellow working for you in your department who runs the Foster Care Program, the education courses and things like that. What was his -- what's his name? Is it Brian or Kevin or -- no? Maybe it's not your -- well, maybe it is. You know, my bad, it is Social Services. Never mind. I was going to give you a compliment. You have great people working in your department as well. Sorry.

CHAIRMAN CALARCO:

Alright, very good.

LEG. CILMI:

Sorry. Bob Mequin has been very helpful lately. So congratulations on that.

CHAIRMAN CALARCO:

Very good. Okay, having no other items before us, I'll make a motion to adjourn, seconded by Legislator Spencer. We are adjourned. The Health Committee will start in just five minutes.

**THE MEETING CONCLUDED AT 2:37 PM
{ } DENOTES SPELLED PHONETICALLY**