

**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 April 23, 2014.

MEMBERS PRESENT:

Leg. Robert Calarco, Chairman
Leg. William J. Lindsay, III, Vice Chair
Leg. Jay Schneiderman, Deputy Presiding Officer
Leg. Thomas Cilmi
Leg. Kara Hahn
Leg. Kevin J. McCaffrey

ALSO IN ATTENDANCE:

Presiding Officer DuWayne Gregory
George M. Nolan, Counsel to the Legislature
Sarah Simpson, Assistant Counsel to the Legislature
Benny Pernice, Budget Review Office
Tom Vaughn, County Executive's Office
Charles Gardiner
Tom Ronayne, Director/Veterans Services
Alexander H. Roberts, Executive Director/Community Housing Innovations
Samuel Chu, Commissioner/Department of Labor, Licensing & Consumer Affairs
Dr. Carmine Vasile
Ralph Fasano

MINUTES TAKEN BY:

Diana Flesher, Court Stenographer

4/23/14 Gov Ops, et al Committee meeting

THE MEETING WAS CALLED TO ORDER AT 10:02 AM

CHAIRMAN CALARCO:

Good morning and welcome to the Government Operations, Personnel, Housing and Consumer Protection Committee. We're going to get started here this morning. If everyone could please rise for the Pledge of Allegiance led by Legislator Cilmi.

SALUTATION

PUBLIC PORTION

Okay. Good morning everyone and welcome to the Committee. We're going to go into our Public Portion. We don't have any correspondence at this time. So I have a couple of cards, couple of speakers. The first of Dr. Carmine {Vasilic}. Vasile, I'm sorry.

DR. VASILE:

My name is Carmine Vasile. I have a PhD in electrophysics. And I want to bring your attention to something I discovered very recently. On March 22nd, I went to a Stony Brook Cancer Seminar, because I have cancer. And I went to the Lung Cancer session. And the Dr. {Alayis} gave a presentation. And he said that the insurance companies for 40 years have been blocking the use of CAT scans to screen lung cancer. And that x-ray screening, which I had every year when I worked for Grumman and Brookhaven and all these companies, cannot detect a stage one or stage two cancer. And he showed an x-ray. A woman had a lung cancer tumor the size of a tennis ball. It did not show up on the x-ray. And last year they approved -- the insurance companies agreed to pay for screening for CAT scans.

Now I'd like you to read this because these facts are startling. "Lung cancer is the leading cause of death from cancer for men and women in the United States. The good news is that lung cancer found in its early stage has an 80% cure rate."

Now I'm going Friday to find out what's in my lung. But to qualify for this program, you have to be between the age of 50 and 80 -- 55 and 80, either a current smoker; and you have to have smoked equivalent of 30 packs a {day}. The other criteria is you smoked a pack day for 20 years between the ages of 50 and 80 and have one additional risk factor such as radon exposure, occupational exposure, lung disease, history of cancer in the family. I have all of them. Everybody that worked for BNL and Grumman have these cancers.

I went for a screening in 2010 under the National Supplemental Screening Program. They took x-rays. They said my x-ray was normal. I had a CAT scan because of my heart problem, they found nodules. This has to get out to the public. This has to get out to the public. Now, I -- one of the people in the audience raised the issue about radon. And the doctor said there is no radon issue on Long Island. I beg to differ. I got up and I showed him this report that I received from a FOIL. And it's dated 1990. And it's the report of "Statewide Surveillance for Radon in Selected Community Water Systems in New York State." Not one of my doctors or the doctors at Stony Brook saw this report. They have known about huge amounts of radon in drinking water for 26 years.

BEEPER SOUNDED

Radon is the second leading cause of lung cancer, but now it's the second leading cause of death from cancer. And it's a very, very important issue here. And I would like, if you can, pass a resolution to stop Suffolk County Water Authority from pumping up radioactive water from deep in the aquifer and sending it to our houses.

CHAIRMAN CALARCO:

Mr. Vasile, your time is up. Could you -- well, I have a Legislator who wants to ask a question. So maybe you'll be able to finish up your statement that way. Legislator Hahn.

LEG. HAHN:

Hello. Hi there. Can you tell me the report -- can you tell me a little bit more about the report you're reading from, what is its title?

DR. VASILE:

The title is -- wait a minute.

LEG. HAHN:

And the selected community water supplies are around Brookhaven National Lab? Is that what -- where they --

DR. VASILE:

They cover 52 counties in New York State.

LEG. HAHN:

Okay, so it's not just -- how do they sample here?

DR. VASILE:

Suffolk County Water Authority, if you read the Water Quality Reports, they have radon detected in wells every year. They measure radon but the problem is there is no maximum level for radon, so.

LEG. HAHN:

It hasn't been identified. So they keep it at the 50 parts thinking that -- because --

DR. VASILE:

Pardon me?

LEG. HAHN:

There's a standard that they use when they don't know a contaminant level.

DR. VASILE:

They measured it. I have wells reports if you want me to show them to you later. Because my time is up.

LEG. HAHN:

No, I --

DR. VASILE:

The evaluation page and the Water Quality Report, they state that they measure radon every year.

LEG. HAHN:

Yes, yes.

DR. VASILE:

The Suffolk County water has over 700 wells.

LEG. HAHN:

Yes.

DR. VASILE:

One hundred forty-two are closed. Why are they closed is a big issue. And they had that series "What's in the Water?" They didn't talk about radon. It's the second leading cause of lung cancer. How can you leave it out? And how could the EPA not regulate it? And they regulate gross alpha because radon is an alpha emitter. But they specifically exclude radon. So when you measure gross alpha, you have to measure radon so you can subtract it. Some of the Water Quality Reports have no gross alpha but huge amounts of radon; 100 times Vermont's standards. Vermont has a standard of five; New York State has none. And they just tell you there's no radon.

And I raised this issue to Bellone because he brought this nitrogen initiative. And I said "nitrogen does not cause cancer; radon does." I said "you should be spending the money on treating the water and eliminating the radioactive wells instead of putting sewers in to get rid of nitrogen." And then I got a whole big response on Facebook from him. So I filed an ethics complaint. And I'd like to leave a copy of that with you. Because enough is enough. Nitrogen is not public enemy number one; radon is.

LEG. HAHN:

Thank you.

DR. VASILE:

Thank you.

CHAIRMAN CALARCO:

Thank you very much, Mr. Vasile. Our next speaker is Ralph Fasano.

MR. FASANO:

Good morning. Thank you for having me. My name is Ralph Fasano. I'm the Executive Director of Concern for Independent Living. And we are here today to present our project in Ronkonkoma for veterans and their families, 60 units, 30 targeted for homeless veterans and 29 affordable units.

I want to thank the Legislature. Last -- a little over a year ago, you approved a project in Amityville for 60 homeless veterans on a former military base. And we are in the process of completing that project. It's wonderful. We have a whole bunch of veterans who have applied and we've accepted them. And we're thrilled to be opening that.

The facility that we are developing in Ronkonkoma will be similar to that. It'll beautiful housing. We've distributed some renderings. We haven't gotten the -- a blown up rendering yet, but it will be beautiful housing. The land there is currently vacant. There is some structures on the land that have been a source of trouble for the community. There's been some fires; there's been some vandalism and drugs and crime on the site. So we're anxious to get started with the construction here. We need to close on this project with the other funding sources within a month. And we're dependent on Suffolk County's commitment to the project of \$750,000 in order to do that. That's \$750,000 leverages significant other State and Federal dollars totaling \$24 million. We will create over 100 construction jobs and about six full-time positions once we open.

I'm open to any questions or comments?

CHAIRMAN CALARCO:

I don't see any questions at this time. Perhaps what we'll do, just to get you in and out of here so you don't have to stick around too long, I see our Director of Veterans Affairs standing up. Did you want to add something, Tom? Mr. Ronayne, yeah, please come on up.

DIRECTOR RONAYNE:

Good morning, Mr. Chairman, members, thank you for the opportunity to speak. I would very briefly just like to say to you that Concern for Independent Living in many capacities has been an exceptional partner to not only the Veterans Service Agency and the veterans of Suffolk County but to the County as a whole. The facility that Mr. Fasano spoke on in Amityville, while not even open for occupancy at this point, has already been a spectacular success. The facility will serve not only as a residential community for veterans, but will also serve as a community center providing certain services and programs that presently are challenging at best to access in the communities.

The program that we're here for to advocate for today in Ronkonkoma is not only sorely needed, but would provide a service beyond, again, the housing for the veterans in the community. As Mr. Fasano stated, it would create jobs; it would generate revenue; it would create a tax stream; and it would remove a blighted property from the community. The need -- the need sorely exists. We have many, many veterans in this County and we continue to have veterans from the Iraq and Afghanistan wars return home who need such services.

The housing and the support that goes along with the programs that Concern administers have been tremendously successful. And, again, we consider them a very valuable partner and we look forward to the County's ongoing support of their efforts and certainly with the assistance -- financial assistance to support this program. It's an absolute win for our veterans and for the County as a whole.

CHAIRMAN CALARCO:

Great. Thank you, Mr. Ronayne. If none of my colleagues have any objection, what I'd like to do then is to take a -- make a motion to take IR 1298 out of order so we can put this before us; seconded by Legislator Cilmi. It is now before us. **IR 1298, Authorizing funding of infrastructure improvements and oversight of real property under the Suffolk County Affordable Housing Opportunities Program and execution of agreements (Concern-Ronkonkoma). (Co. Exec.)** I'll make a motion to approve.

LEG. CILMI:

Second.

CHAIRMAN CALARCO:

Second by Legislator Cilmi. All those in favor? Opposed? Abstentions? **IR 1298 is approved. (VOTE: 6-0-0-0)** Thank you everyone. Thank you, Mr. Fasano and good luck with your project.

MR. FASANO:

Thank you very much:

CHAIRMAN CALARCO:

Thank you. Okay, we're going to get back to the beginning of the agenda now. I have no other cards. Are there any other speakers? Is there anybody else in the audience who'd like to address the Committee at this time? Seeing none, we'll move onto our presentations.

PRESENTATIONS

I have two presentations this morning. And first I'd like to actually call up -- we're going to go a little out of order as is listed on the agenda, but we're going to start with Alexander Roberts, Executive Director of Community Housing Innovations. And he's going to give us a presentation regarding the exodus of young people from Suffolk County. And it's very apropos that he's going to come up following us taking a vote on a resolution to create some workforce and affordable housing for some of our veterans here in Suffolk County, but it's a program that we've taken quite a bit of

pride; at least I know I have in Suffolk County. So, Mr. Roberts, if you please.

MR. ROBERTS:

Thank you very much. I really appreciate the opportunity to speak with the Legislators. And it's an honor to follow my friend Ralph Fasano who I've known for 20 years; is an example of one of the great resources that Suffolk County has and many excellent non-profit agencies dealing with a lot of the problems of poverty and homelessness, etcetera.

Many of you know me as Executor Director of Community Housing Innovations, which is a not-for-profit provider of housing and social services for homeless families and individuals. But before that, I was a television news reporter in New York for nearly 20 years. And I left television in the late 1980s and into 1990 to address the problem that was very new, it was called homelessness. And I figured, "ah, I had some ideas on how to address it. I figured it would last maybe five or ten years and then I could go on with my life and do something else."

It wasn't worked out that way. In fact the problem of homelessness has just increased every year. And no matter what we do, how innovative we are, we just can't get away from it. To the point where today it's really a scandal that we have 8,000 homeless students in Long Island school systems; 5,000 in Suffolk alone. And so about a year ago I decided to take my journalistic skills and say "what's really happening? What is going to solve this problem of homelessness?" And I can confidently report to you today that my research indicates that homelessness is not your problem. Poverty is not your problem. It goes much further. Your problem is a dysfunctional system of land use that is preventing the free market from operating, from bringing in the private investment that would address the needs of all Long Islanders, not low income Long Islanders, all Long Islanders, that would restore the economic prosperity and relieve the crushing tax burden, which is really the -- one of the -- the most fundamental problems here.

So going to my presentation, if I can get to it, I guess, over here -- I'll get to my research, which is pretty well known right now, and which took a look at using geographic information systems and the US Census. I determined that we've had a tremendous loss of millennials; they're leaving Long Island, especially from the most exclusive zoned areas.

But before I get to that, let's talk about what's been happening. Number one, as you know, Suffolk County is among the highest cost of housing in the United States. It's number 8 tied with Nassau County on the -- sort of the most expensive list in which it costs \$31 an hour -- you need a job paying \$31 an hour to afford the fair market rent for a two-bedroom apartment. Okay.

In March the New York State Comptroller issued a report showing a dramatic rise in the number of people who are paying more than 30% of their income for rent throughout New York State. And as you can see in Suffolk County, more than half of the renters are paying above that affordability threshold; 28% are paying more than 50% of their income for rent, which basically means they are going without food at times, they're going without medicine, etcetera. It's a really crushing burden. And most interesting is that there was a 57% increase in homeowners who now are paying more than 50% of their income in rent from 2000. It's up to one in five; like 19%. So one in five homeowners on Long Island is paying more than 50% of their income for rent.

But when you look at it from an economic perspective in terms of our regional competitiveness, because that's going to be my theme here, we're actually a lot worse off; because there's a big difference in the transportation area between, let's say, New York City, where somebody might be paying a high percentage of their income for rent or mortgage because of transportation. This is a website that is a collaboration of HUD and the Department of Transportation. And it shows you that the typical single professional, we're not talking about a low-income person, we're talking about a single professional making \$47,520 a year, these are the costs that are typical in New York City for

4/23/14 Gov Ops, et al Committee meeting

them. They would be paying 38% of their income for housing, 7% for transportation; basically together that means they're paying 45% for housing and transportation.

When you look at Suffolk County, that same single professional, they're paying 55% of their income for housing; 17% for transportation, because they own a car, for a total of 72%. Now, put that together, you can sort of look at it together, and you're looking at an uncompetitive, unsustainable situation, when you're in competition with other areas.

Going back to my research, and that was looking at the exodus of 25 to 34-year-olds from Long Island's most exclusive communities, I first looked at the Countywide totals and found out that in Suffolk the loss was about 12.2% countywide compared to a 3% increase in the United States and a two-and-a-half percent decline in New York State. Okay. But when I looked at individual communities just one after the other, I found that the most expensive communities that had basically zoned out multifamily housing and were the most unaffordable, were losing the 25 to 34-year-old cohort the fastest. As you can see places like Kings Point, which lost 58%; Westhampton, 57; Huntington, the Town, lost 26%, these are very high numbers. And conversely some of the other areas, places that are more diverse and less affluent had actually gained or had much lower losses.

So then I decided to, if you want to take a look pictorially, these are census tracts that had lost more than -- that have lost more than 20% of their 25 to 34-year-olds since 2000. And you can see that they are some of the, you know, the highest income areas. This is Nassau County and Western Suffolk, as you can see, where the losses are. And this is a close-up. This is, you know, just to give you an idea of how we look at it, this is -- not to pick on Smithtown, but one out of three 25 to 34-year-olds has left Smithtown just since 2000. Okay.

Where are they going? The answer is we don't know, but we can get an idea. So I'm able to using this application, the census, I'm able to specify what I want to see in census tracts. So I looked for census tracts where there was a least a 10% increase of 25 to 34-year-olds; and at least a 10% increase in whites. Because we know that much of the exodus is among 97% white areas, okay, the highest percentages.

What did I find? Not surprisingly if you have children, they're moving to upper Manhattan, they're moving to lower Manhattan and they're moving to Brooklyn. So I did a close-up of -- I picked one census tract, which happens to be near Harlem Hospital. And if you look at it closely, you'll find that the number of 25 to 34-year-olds has increased by 35%. And the increase in whites was over 2000%. So tremendous things are happening there.

Adding to our worries on Long Island, job growth, as you can see there's been very little job growth since 1985. And construction permits have been really at a very low level. And most important the permits for the number of new residential building permits for multifamily units per thousand residents, Long Island is much, much lower, less than half of even the nearest competitor. So we're not producing the rental apartments that the next generation is demanding and wanting.

The good news is that the Rauch Foundation, the Long Island Index, have identified 8300 acres of underutilized property in the downtowns and around railroad stations. So there's like 100 downtowns that have the possibility of where you could put development. And we shouldn't lose site of the fact that a typical 100-unit development can be a tremendous economic generator. We know we have the demand. And we don't need public monies because the private sector will build it. It'll inject huge amounts of money, \$30 million dollars in spending during construction and 3.6 million in ongoing annual economic activity for just a 100 unit development.

Obviously the gorilla in the room and what all of you hate to face is NIMBY-ism. And I'm very

sympathetic to that. I have faced that many times trying to suggest an affordable housing project in communities. And it's no fun. But Home Rule is not absolute. And the legal establishment is catching up. And the Fair Housing Act was used recently last month in a major decision against the Village of Garden City in which a Judge ruled that the zoning in Garden City had a disparate impact on minorities intended to perpetuate segregation in that community. How many communities on Long Island are exposed to the same type of actions?

Even perhaps even more important is the Berenson line of cases which are a line of cases from the New York State Supreme Court that basically found that a community may not use its police power, that is zoning, to maintain the status quo by preventing members of lower and middle socioeconomic groups from establishing residency in a municipality. Other decisions have said from the Berenson line -- that basically said that communities that put together a regional plan, a county plan, that determines a fair share number for each community is "presumptively valid." And the evidence at trial clearly established the rationality and soundness of that legislative finding. This was a developer lawsuit, one against the Town of New Castle in Westchester, which has a Fair Share Allocation Plan that was cited. It was cited again in another case where the Judge actually reiterated the number based upon that Fair Share Plan in the Town of Cortland in overturning the zoning of the Town of Cortland to allow a multifamily development to be built.

So the answer here is Suffolk County needs to have a Fair Share Allocation Plan that basically is quote "presumptively valid in the courts and can be used by developers to thwart illegal exclusionary zoning." But guess what? You have it. It's called the Suffolk County Workforce Housing Needs Assessment and Responses, which was done in 2008. And basically what it did is, it set a goal of 16,500 new units by 2020. It allocated actual numbers for each community of how many they should produce by that year. And basically it wasn't strictly speaking affordable housing because it contemplated housing and multifamily of -- for people making up to \$126,000 a year. So it's not strictly speaking affordable housing. It's really more market rate housing, but it would help developers and help you in setting a vision and a goal for all the communities to meet -- to meet the need.

What would 16,500 units generate? A lot of money and a lot of economic growth, \$5 billion in spending during construction and \$600 million annually along with close to 30,000 jobs. So it's a way that you could really jump start the economy to try to bring rates. And what's fortunate now that we didn't have, say, 10 years ago, is there is a consensus, even among the most exclusionary towns that the way to go is transit-oriented development; that basically if you want to preserve your suburban lifestyle, and I live in a house, I like suburbia, I don't want -- you know, we're not going to be building apartment buildings next door to Billy Joel's house. Okay? But next to train stations and around railroad tracks makes sense. Why? For these reasons: Higher local properties value because of the increased density; increased payments for property taxes; more rates; increased tax revenue for School Districts; support for transit systems with new riders; and savings, most important to families due to decreased automobile need and dependency.

So to sum up, County problems need County action. We have to understand that NIMBY and abusive Home Rule is preventing the free market from addressing the needs of Long Island's young adult workforce, which is leaving. We need to engage local planning and zoning departments with a vision for making Long Island competitive again, which has to have County leadership. We have to position workforce housing as part of the larger goal, which is to increase housing choice for consumers and remake downtowns into interesting and diverse communities that attract millennials. Just building housing is not going to work. And, as you know, the housing itself is going to in itself stimulate economic development, restaurants and other cultural activities, which is also part of the place making need on Long Island.

And the other thing is we need to remove inaction as an option through progress, measurement and

the threat of Berenson or Fair Housing lawsuits. Because you did pass that Fair Share Report, but it's been sitting on a shelf; nobody's tracking it; nobody is holding any of the communities accountable for its success. So I would suggest that we'll take care of the homeless with non-profits. You've got some great charitable groups, but you gotta help us out to stop minting so many and start helping the taxpayers of this County that are paying our salaries to rebuild the tax base.

So number one, I'm suggesting passing a Housing and Economic Recovery Act of 2014 that would officially adopt the Suffolk County Workforce Housing Needs Assessment. It has numerical goals for each municipality and annual benchmark so they don't leave 'til the end of 2020 to say "oh, we didn't do it." I think you should assist every municipality in filing a Fair Share Plan within six months, which would detail how they intend to meet their goal including zoning changes, if required. And to set up an independent Housing Opportunity Commission charged with promoting, tracking and enforcing the workforce housing goals.

I believe that by setting this up in this way and having a countywide assessment and assignment on a Fair Share Plan, you avoid what happens now when every time a developer proposes a project in a particular area, everybody around it says "why us? How come next door they're not doing it?" Or this, that or the other. That's why we need this County leadership to do it, but honoring Home Rule. Because this program wouldn't tell municipalities what they should build or where they should build it. It's up to Home Rule to decide whether they want to do townhouses; another jurisdiction might want to do accessory apartments; another might want to have a lot of open space with one large building. That would be left to the communities and their problem. But unless you show leadership and make people understand what's at stake here, which is the continuation of Long Island's suburban culture, you're going to lose it. And that's basically my -- that's my point. A little bit about CHI, we're not just about homelessness. We're also the largest provider of down payment assistance -- second largest on Long Island. We've given out \$12 million in home buyer down payment assistance, free home buyer counseling to 500 first time home buyers. And we have funding. So if you want to take our number down, we do have grant monies to give away to workforce people making between -- up to 65,000 for one person and about 94,000 for a family of four. So we're trying to do workforce housing as well. So I'm open to any questions.

CHAIRMAN CALARCO:

All right. Thank you, Mr. Roberts. And we appreciate you coming down. And it's a pretty extensive and well thought out presentation. I really appreciate it. So I just have one quick question and then I'm going to turn it over to my colleagues. And it sounds like what you're advocating for, a little bit is, is that Suffolk, as you probably know and as we just did, we've been taking the carrot approach a lot lately. We have put millions of dollars out into communities over the last ten years. I know my community in Patchogue has taken advantage of three different opportunities to do this type of development. But you're looking for us to do a little bit more of a stick approach where we adopt a plan that can give developers leverage to force municipalities to start accommodating the need for new rental housing.

MR. ROBERTS:

The reason is that we have a -- we're a very segregated County. We're segregated not only racially but now it's becoming economic. And it is almost un-American that certain communities zone out any opportunity for people of modest means. I'm not talking low income or poverty. I'm talking about working people, teachers and plumbers. And it's un-American. It was determined many, many years ago that this is not a model that we should have, the sort of, you know -- you can't have like gated towns. Nobody begrudges the people of wealth buying big houses having gated communities. I certainly have no problem with that. That's a great difference of America versus many other parts of the country.

There's a funny story where -- I think it was Bono that said in Ireland the working class person looks at the rich guy on the hill and says "I'm going to get that guy." And in the United States the same guy looks at him and says "I want to be like that guy." And that's okay. But the issue is it's morally, legally and ethically indefensible to totally close off entire communities to have -- integrated by wealth and integrated by race and ethically as well.

CHAIRMAN CALARCO:

Great. Thank you. And I guess you made a very good point there. And unfortunately we can't dictate people's morals and ethics. But when you talk about economics, and it's an economic challenge and it's an unsustainable economic challenge, that's something people regardless of your political views or your persuasions have a hard time arguing. So I appreciate it. Legislator Lindsay.

LEG. LINDSAY:

Alex, thank you so much for coming in today. This is a great presentation. This is an issue that is definitely, I feel passionately about as well as yourself. I view it over the last 20 years we've basically told young professionals "we don't want you here anymore." And we've built nothing but over-55 housing, pushed them out of the marketplace. In my own neighborhood I have over 100 houses. And I have children that are 5 and 11. And within the neighborhood there's maybe three or four kids the same age as them. And I don't know how that's happened. I mean, I know there's a lot of different factors.

But in each of the school districts, at least in my Legislative District, all of them are way under capacity. Sachem, which is one of the largest School Districts on Long Island, is at 69% capacity. So we've overbuilt our School Districts anticipating the population to continue to increase where it's actually decreased. And now we've almost flipped the problem on its head and we have -- we're looking at closing school buildings, we're looking at laying off teachers. In my -- my question is to you is what -- outside of some of the issues you proposed here, how do we correct the mistakes we've made over the last 20 years? Is it possible for us to build young professional housing that's exclusively for young professionals without it being challenged in court because we're discriminating again by age?

MR. ROBERTS:

I think it's very possible. I think that -- again, I'm a believer in the free market, you know. And I believe that if you build one bedroom, two-bedroom apartments that are affordable in these downtown areas, you're going to attract that cohort and they're going to be paying taxes. And as I said, the majority of these are going to be market rate. And that's the way it should be. I think that you should reserve a percentage for affordable. And I think 15% is a good floor. But the reason -- the people will come anyway. I mean, who else is going to occupy those apartments? I mean, you may get some retirees, people that are graduating out of their houses, which that would be fine as well.

LEG. LINDSAY:

You know, that's a question I wanted to ask you because -- do you have any data that supports the demographics that's moving into these new downtowns?

MR. ROBERTS:

Yes.

LEG. LINDSAY:

From an unscientific study, just from my own perspective in areas like Patchogue where the revitalization of downtown there is very exciting, it seems like there's a lot of seniors that are moving into some of those -- some of that housing as well, which is fine. But we -- you know, it's

almost as if we've seen a migration back to Brooklyn, back to Manhattan for people after they retire, which is great as well, but it's -- have you studied that at all, the demographics of who's moving --

MR. ROBERTS:

If you look at the demographics of who's moving into those, the new developments, it's pretty much available. I've spoken to Mayor {Selendar} for example. And if -- I've been to downtown Patchogue, you know, and Rob can you tell that, I would say the majority are young people. Wouldn't you say that, Rob?

CHAIRMAN CALARCO:

It's an interesting mix. Our New Village has seen a lot of empty nesters who have signed up, but I always kind of put it as a housing cycle. You gotta have places for people to start and places for people to finish. And that's what we're lacking in Suffolk County.

MR. ROBERTS:

Right. As I said, I'm a believer in the free market system. And if you build it, you know, they'll come, so to speak. And if you make the downtowns around the railroad stations interesting and attractive to the young professionals, that will also, I think, help, you know, help do it.

LEG. LINDSAY:

Thank you.

CHAIRMAN CALARCO:

Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:

Thank you. First, Alex, thank you for coming out this morning, talking to us. I drive here from Montauk. It's quite a distance. I get to see the traffic heading out there through the Hamptons' areas. It's been very bad lately. I mean, literally miles and miles and miles what they call the trade parade. And anyone who listens to the traffic report on News 12 in the morning probably sees this every morning. They're saying "oh, things are kind of okay except for out there in that area." And, you know, it's no doubt largely an effect of us completely pricing out our workforce. You can't, you know, as a carpenter or tradesman live and afford a house in that area. And so you're seeing, you know, we're employing much of Suffolk County, but it's a tragedy as well because, you know, once was a very much a year round community where you could make a living with a clam rake or a hammer or whatever, and it isn't anymore. And we've lost a lot of the, I think, the very people who have made our communities interesting.

There is a County interest here. We often talk about, you know, the Towns, they have the zoning control. So we -- you know, what is the County interest here? But as I look at these numbers, and these numbers are extremely alarming, when that many people are living, paying an unsustainable amount for their basic needs, it means that they are slipping into poverty. They are slowly getting poorer and poorer each year. Eventually they hit those thresholds where they qualify for the very programs that the County is mandated by the State to provide. So they end up on the Medicaid rolls or food assistance or in our clinics, using our buses. Suddenly the cost of the County goes up because the Towns haven't done their job.

And I understand having been a former Supervisor, it is difficult when you try to site -- and every time as Supervisor we've tried to move forward with a project what we called the workforce housing project, there were lawsuits. And usually when they did move forward, they forward at a significantly smaller size than what was originally proposed. Certainly the loss of affordable housing has way outpaced the creation of affordable housing. So maybe you'll get a house here, maybe here or there through our 72-h program; or, you know -- or maybe, you know, the Town will try to

develop a small project here and there.

But as the real estate values in my neck of the woods have gone up, it really has pushed a lot of the year-round houses, they've sold, become summer homes, created new demand. So there -- I believe there is a County role here because we end up picking up the pieces or trying to piece together things as, you know, the main social service provider in the County. And you know with the homelessness, the homeless shelters, that I know that -- since 2008 I think we've doubled the number of homeless families, right, something in that range?

MR. ROBERTS:

Something like that, 500.

D.P.O. SCHNEIDERMAN:

We're up in the 500 range. Yeah. So it is -- these are really alarming numbers. What you're suggesting, as Legislator Calarco is saying, is to -- to give developers a little bit more leverage with the Towns. And this study that you're referring to, I think it was around 2008, we commissioned Rutgers University, the Center for Urban Policy Research to do a Housing Needs Assessment. And I have an electronic copy of that if anybody wants to see it. And they went town by town. And they looked at how many -- how much of the workforce was priced out of the housing market. And they actually developed allocations on a yearly basis as to what the minimal numbers each town had to do in terms of housing just to keep matters from getting worse. And actually these numbers are fairly old. I think the conditions were actually worse. They'd have to do even more than what the study suggested.

But if you look at the study, you can go to the Town that you represent, or the Towns that you represent, and you can see on a yearly basis how many units should be being created that were in this affordable range. I'd be happy to provide that to any of you. But you're saying we need to formally adopt it, make it part of the County documents and then developers would have a little more leverage when they approach the Town? And you're saying actually work with the Towns to get them to provide some documentation as to how they plan on meeting it. You want to elaborate a little bit more?

MR. ROBERTS:

Yeah, I think at the very least, it would be a simple action to adopt the Fair Share. And it was really well done. It was bipartisan, nonpartisan. It was a simple analysis of what the need was for each community. And beyond that, though, you want to be proactive. You want to help people. You want to provide the technical assistance to the local towns on options that they can use. And let's get a dialogue going. Let the communities themselves decide how they want it. They may say "we don't want any, you know, apartment buildings in our downtown. We want to do accessory apartments because that'll help the present owners of their houses afford them more." So I don't know the answer to that.

But the first step is certainly to offer assistance to the communities but pass the Fair Share requirements. Because, as we've seen, the New York State Courts have accepted those as an expression of the regional need, which is required based on the Berenson decision and also the New York State Constitution, because this was a constitutional requirement. There are other cases such as the Monroe line of cases which gives the County actual power to supersede local zoning in cases. I don't think you're there yet. I don't think you have to be there. I agree that -- and maybe I'm idealistic, but I think that there's kind of a grand bargain to be made here, to say that in order to continue the single family culture, you're going to have to generate economic development and more ratables in certain areas of your community, typically around railroad stations, which make the most sense and allow some housing to be built there; market rate with a proportion of affordable housing. Maybe I'm wrong, but I think that if it was done transparently and honestly and openly in

4/23/14 Gov Ops, et al Committee meeting

each community, it would -- the number would stimulate the dialogue first by passing the Fair Share. And I think the community might come together and realize that this is only going to help them. It's going to help them continue the type of lifestyle that they want.

D.P.O. SCHNEIDERMAN:

One other component, not all of our downtowns are sewerred. So even if, you know -- I understand there's a certain density that makes the numbers work. So you have your land acquisition cost, you have construction cost. If you're going to deliver the units, maybe they're one or two-bedroom apartments, because that's what we need, we need rental apartments for working people, you're going to need a certain density. But you can't achieve that density not just because of zoning, but you can't achieve it without sewers. And a lot of our downtowns, particularly on the East End, the only one that's sewerred, maybe Sag Harbor and on the North Fork Greenport -- there's sewers in Riverhead, too, but a lot of our downtowns aren't sewerred. So I think we have to overcome that as well. I know it's something that the County Executive has been working on, but I think it's an important component because just the zoning alone won't do it in many areas.

MR. ROBERTS:

That's correct, but, you know, if you get to a certain density, then it becomes economically feasible to do the sewers.

D.P.O. SCHNEIDERMAN:

Yes.

MR. ROBERTS:

And, again, all of this is about economic development and money. It's in your backyard. It's something that you could do right now without having to attract a company to come from China here or something like that or -- it would be a way to really jump start the economy.

CHAIRMAN CALARCO:

Great. Thank you. Legislator McCaffrey.

LEG. McCAFFREY:

Thank you. It's interesting that you're here today giving this presentation. Prior to the committee meeting, I was asked to meet with some -- some students from Stony Brook University who are participating in the Masters Social Work Program there. And the topic was about Affordable Housing. And these things -- some of them are still here, some left. I asked them to sit in on this but it's -- everything that you're talking about is the things that I was speaking to them about. Prior to joining the Legislature, I was the Deputy Mayor in Lindenhurst for 23 years. And that is a community that's -- it is a working class community. It's not racially diverse but it is -- I was a truck driver at one time. And that's the people that live there. We're, you know, they're building trades people, cops, firemans. We have a couple of lawyers and doctors that ended up there somehow, but for the most part they're working class blue collar people and people that really care about their community.

We're facing many of the same issues that you spoke about, mostly where are our young people going to stay? They can't afford to buy the houses that they grew up in. We've had -- accessory apartments is -- I don't know if that's the mix, people don't like living in people's basements or walking around somebody's backyard to get into their house. But before I left the Village, I've worked extensively with the Mayor there about planning for the future. And all the things that you're talking about are the types of things that they want to get done in Lindenhurst. We are around the train station. We have underutilized industrial areas that have outlived their usefulness that could be converted to this type of area. We actually have developers that are interested in doing this.

4/23/14 Gov Ops, et al Committee meeting

The biggest problem is, I wouldn't say it's the political will, but it's the -- when you start talking about affordable housing and in terms of what people who want to protect the single family homes of people that are there, that's what we're up against. They want a beautiful downtown, but they don't want to build up around it that supports that downtown. And they know that our kids need to live somewhere, but they're not sure that they want to provide affordable housing in our downtowns to do that. That's what I see as the biggest obstacle. Fortunately we have people like Mayor Pontieri in Patchogue which has overcome that and said "look, this is what we can do when we put our heads and our minds together and commit to doing this."

And I can tell you in Lindenhurst they're very serious about doing that and they're looking forward to -- to move forward with that. So maybe -- if you could send me your presentation or send it to all of us, that'd be great. And then maybe we can meet to talk about some of these communities that are ready, willing and almost able to get there to do these things to be able to build on some of these ideas that you have to hopefully get it done.

MR. ROBERTS:

I actually brought copies of it. It's a little bit small, but, you know, I'll make it available online. And my report, which is a -- is a ten-page report that I did on the exodus is also available, but I'll give each of you a copy of my presentation.

CHAIRMAN CALARCO:

The presentation should be on our T drive. It should be. Once we have them here, that's usually the process. And we can certainly make it available on the website.

LEG. McCAFFREY:

Great. And I just had one more question. That was concerning the subsidies for the workforce housing. What does that work out to in terms of unit? Does it go by unit or -- how does that work?

MR. ROBERTS:

It's very expensive. If you want to do 100% affordable housing, whether you're building market rate or you're building affordable, you're looking at approximately \$300,000 a unit. And the affordable rents will only support about 100,000. So there's a huge gap, which is my point. I don't think so much the issue should be even talked about as much as affordable housing. It's housing that is more affordable. That's all. It's multifamily housing.

The way that you should finance it is not with public monies. We can't keep subsidizing these problems. We have to allow the free market efficiencies to operate as much as possible. And the way that can be done is something called density bonuses. So the bottom line is a developer who might be able to build a 30-unit market rate project, you allow them to build 40 units. But you require that 15% be set aside for low income. Now, they still might need some subsidy, but most of the subsidy is now coming from the project itself and the development itself. So, as I say, there's a lot of state subsidies and even some county subsidies for affordable housing, but you want to minimize the amount of public money as much as possible. And densities are a way to do that, you know, giving bonuses; density bonuses.

CHAIRMAN CALARCO:

Okay. Legislator Cilmi.

LEG. CILMI:

Thank you. Thank you for your presentation. I'm going to probably meander through some deliberately provocative questions for you. Because I found your presentation both visually and listening to you interesting. To what extent do you think -- do you think that there is naturally a

capacity to the population of any given area?

MR. ROBERTS:

How do you mean? I'm not sure I understand the question. To what extent --

LEG. CILMI:

Well, you know -- in order for -- let's say that we created additional affordable housing; and let's say that there were people who wanted to occupy that housing. And one might argue that the fact that there is so many vacancies of single-family homes here, that that in and of itself is, you know, at some level beginning to create affordable housing. Because as there are more vacancies, naturally if you -- if you believe in the free market, which clearly you do, the prices of those houses will start to decline as the number of houses that are available increases; and, therefore, the housing naturally will become more affordable.

However, at whatever, you know, level of affordability you apply, somebody's got to be able to pay for the cost of that housing. And so in order for somebody to pay for the cost of that housing, there needs to be employment for those people. And, you know, the cost of living has to be such that it allows that affordability. So to what extent is -- so when I say capacity, I mean the ability of, you know, the environment to sustain a certain level of population.

MR. ROBERTS:

I understand your question now. Let me say that the single family houses are never going to be affordable because inherently they're too big, the taxes are too high. And the cost of energy is twice as much in a single-family house as it is in an apartment.

The way that I look at this is, if you bring in young people to live in a community and you create a sense of place as Eric Alexander of Vision calls it, a sense of place, now you're creating a reservoir of people who want to graduate when they have kids or whatever into those houses. You're creating a market for the houses that now you're losing. Because who's going to go into those houses? Especially if they don't have kids. I mean, that's one of the major points of suburbia. You want a backyard, you want good schools, etcetera. So that's the way I look at it.

And the answer as to the capacity, I can't answer because it's going to be answered by the free market itself. But if you build the things that millennials want, and we know what they want because we've done surveys, Brookings and everyone, they want places they can walk to, they want interesting places. They're not, you know, fanatic about cars anymore as the way my generation used to be. So you have to attract them. And you've gotta -- you know, you will be able to attract them. The infrastructure problems are definitely there. So that's an issue. The issue of the roads already, you know, they're crowded. There's no question about it. So those are challenges that will have to be dealt with, but they can be dealt with.

Ironically, you know, it's sort of like bicycling. I'm a -- I like cycling. In New York City -- cycling, if you are one or two people on a road is very dangerous. But when you open it up to -- and make areas cycle-friendly like New York City or Montreal or Paris, the rate of accidents goes down tremendously because people now expect it, you know, that kind of thing. So we're going to find answers to these challenges. There'll be more people, perhaps, commuting with others. There'll be -- we don't know the answers that will come out, but there will be answers to these problems.

And Long Island is a fantastic place to live. That's your answer. Those houses are going to be occupied once you get things under control and there's a balance in zoning, which is required. You're right near New York City. You've got beautiful beaches; you got great schools, great infrastructure. So I think that you're going to be -- you will be competitive. You just have to remove this dysfunctional Byzantine system of 110 different jurisdictions making land use law.

LEG. CILMI:

So what's different today than 20 years ago in terms of -- I mean, did we have this need for this housing 20 years ago? And, if not, why didn't we? And why do we now? And 20 years from now might it be completely different again?

MR. ROBERTS:

Twenty years ago the -- there was much -- there was a much less gap of affordability. What's happened in the last 20 years is that the median salaries for a large part of your population have remained flat while the price of housing has increased tremendously, especially -- and taxes have increased tremendously. So incomes have not kept pace with housing. Four dollar a gallon gasoline. Twenty years ago gasoline was maybe a dollar? So, it's, you know, it's gone up four times. So these are all issues that have contributed to what's different today.

The other aspect today is we have a greater understanding of energy efficiency and sustainability and a need to become more sustainable. And an apartment is much more energy efficient and sustainable than a single-family house.

LEG. CILMI:

And what about 20 years from now?

MR. ROBERTS:

Well, 20 years from now we expect energy prices to continue, resources. So that I think that by building more multifamily housing, more sustainable and energy efficient means of housing, we're going to be preparing ourselves more for the future.

LEG. CILMI:

So do you think the -- so you think energy costs will continue to increase?

MR. ROBERTS:

I believe they will unless there is some, you know, breakthroughs, but they probably will because of -- global warming is an issue and climate change. And eventually there are going to be carbon taxes, I think; eventually that's going to happen. It's going to become more expensive.

LEG. CILMI:

So -- and as those energy costs increase, do you envision then just more -- the need for more and more and more of these multifamily type housing situations?

MR. ROBERTS:

I believe so. As I think Legislator Schneiderman said, that the need has increased not decreased, you know, from the time of 2008 when that study was done. And the imbalance between what exists and what is needed is growing larger.

LEG. CILMI:

To what extent do you think that government has sort of put up road blocks to a more equitable distribution of density? So -- and I ask that in this context: I'm from the Islip area. My partner to my right here is from the Babylon/Lindenhurst area. If I look around, you know, there are different degrees of -- our Districts are divided equally by population. And yet if you look across the horseshoe, you'll find that our Districts differ in geographic size because the densities are obviously different. So, you know, very, very sort of basically speaking, the further east we get, the less dense the population is. So -- and we purchased lots of open space and protected, you know, valuable land. But to what extent does that create sort of a, you know, an imbalance in the amount of density that we see throughout Suffolk County?

MR. ROBERTS:

Well, each Town grows and has attributes that are different. I don't think it's -- and density has always been looked at as a negative, you know, in years past. Today among millennials density is a virtue. They want density; they want walkability; they want diversity. So it just depends on how you look at it. And it depends how -- what your vision is locally. And I believe in Home Rule. I think each community has their own character, their own -- whatever. And they'll allow the density in different ways and should be allowed in different ways. I don't think it's necessarily a good or a bad thing. It just -- it's the way communities develop and it's the way New York State sort of allows them to. It's a Home Rule State, which means that each community can do pretty much what it wants within certain parameters, which I showed in some of the court cases, that they can't zone just to keep certain people out. That's all.

LEG. CILMI:

I could probably go on for another couple of hours and have a conversation with you, but in deference to my colleagues, I won't. Thank you for your presentation. And I'll look for it online and then maybe we can have a further conversation at a later date.

MR. ROBERTS:

Thank you, Legislator.

LEG. CILMI:

Thanks.

CHAIRMAN CALARCO:

Thank you. Legislator Lindsay.

LEG. LINDSAY:

Alex, I just have one follow-up question. My observation has been in some of these new transit-oriented communities that we're proposing and actually starting to build, there seems to be a misconception within the community that, you know, we're going to change the demographics of Long Island. We're going to turn it into the Sixth Borough. I mean, these are the phrases that we hear at public hearings. Even to the point where there's a lot of misinformation, our schools are overpopulated, which, you know, as we all know is incorrect.

My suggestion to you is you almost need to do a grassroots effort to change the mindset within our communities just to educate them in what is happening. Because I think anybody that sees some of the numbers that you proposed today, would be hard pressed not to agree that this is a glaring problem. We cannot have 30% of our population in any one of our age brackets disappear from Suffolk County. We just cannot succeed and advance as a society without having all the different levels in there, especially as our baby boomers age and retire, we need to have that next generation that's coming in the wings to help support some of the services that they're going to need. I mean, it's just the way our whole society is built.

So that would be my suggestion to you. I'd be happy to partner with you on it and ask you to attend our -- the civic groups within my Legislative District to make that pitch and answer answers and I think get some input that you might see from the Chambers of Commerce and the civic associations where they might even be able to give you some further insight. So that's my suggestion, Alex.

MR. ROBERTS:

I would be very happy to do that. And I would note that Long Island has some of the best organizations, the Rauch Foundation and the Long Island Regional Planning Council and Vision Long Island; and the Planning Department even in Suffolk has done some terrific research and education.

The problem is that you can't get change just from the education. There has to be an impetus. And that's why I'm saying it's so important that the County show some direction by passing this, tracking it and talking with the communities. It would get serious. People will not change unless there's something that makes them a little uncomfortable. You know what I mean? Yes, this is alarming and the research shows that down the road, you know, they're going to be in deep trouble. But you need -- I believe that the grassroots could be aided tremendously with some leadership from the County itself.

LEG. LINDSAY:

I agree.

CHAIRMAN CALARCO:

Legislator Trotta.

LEG. TROTТА:

I'm from Smithtown, and Kings Park in particular is my little area of expertise. We have a sewer pipe that goes right through Main Street. We have a sewage treatment plant that can take double the size it's taking now. We have a community that wants the change except for -- now I'm new at this. I've only been here a few months. For 25 years the Town has looked exactly the same. The stores are empty. It's like we have, you know, we have 1700 acres of parkland that could put a 26-mile bike trail through it. We want to build something on the park that would attract from the City. How can you help me get this done?

MR. ROBERTS:

I think again if this was passed and if the Town of Smithtown has a certain number of units that's required of workforce housing, that starts the conversation. I think then you invite people in who could actually show -- take a piece of land and how they can re-imagine the downtown. That's been done -- Vision Long Island has done a great job with that, where they do what's called charrettes or visioning. I agree it has to be done from the grassroots, that once -- if this is passed and a direction is made by the County, there's going to be a large reaction, I'm sure, to it. And that is going to create the opening for people like me, Vision Long Island, to say okay -- actually what we're asking for is a grand bargain. If you want to keep your single family houses and you want to keep the suburban culture that you came out here for, your grandparents came out here for, you're going to have to allow some development in certain areas of Town. And here's how it could be imagined. And I'm sure that's how they did it in Patchogue pretty much. Didn't they, Legislator Calarco? They brought everyone together in a room and they showed, you know -- now, we have computers and we have abilities to literally remake the land and show what something can look like and let the people participate in the reconstruction of their communities. And there's so many benefits. I was talking with the Legislator from Patchogue, \$4 million a year in additional ratables, I guess.

CHAIRMAN CALARCO:

The New Village project, which is just one of -- it's obviously the bigger one, of many projects in the downtown area, is a \$4 million turnaround on ratables back to the School District, the Village, the Town, the County total for about four-and-a-half, five acres of property. If you did quarter-acre zoning and figured each house paid 10,000, you're only going to get a couple hundred thousand dollars out of it. So it's quite a difference in the amount of tax money. And you produce about the same moment of children going through the School District. So it's a real big tax positive.

MR. ROBERTS:

And that's how I think you sell it. You don't sell it with "we're bringing in all low income people for affordable housing." We're -- again, it's going back to the whole idea of we want to be responsive to what the market is demanding and wanting now. We have a terrific product. Our land in Long Island next to, you know, one of the biggest -- you know, biggest, you know biggest cities in the

country and a real engine; plus we have our own companies. We do this, it's going to create tremendous economic benefits for everyone. It's going to lower your taxes. It's not only going to cap your taxes, it'll lower them.

D.P.O. SCHNEIDERMAN:

To this piece of the conversation, because some communities have taken a slightly different approach, related approach. Southampton is doing this. Huntington or North Huntington where they've actually contracted -- the Town government is contracted out with a Master Developer. And the Master Developer is then running a lot of those community visioning sessions, reaching out using the internet and other, you know, kind of crowd source planning tools to develop a community vision. Then they're working with the Town to rewrite the zoning to realize the vision that the community wants for that area. And the Master Developer is working with all the property owners and bringing in the private equity to actually make it happen. So it's easier for the Town officials because they don't have to do the hard work of building that consensus. The Master Developer does. Obviously they have a financial interest.

I think in Southampton, Renaissance Downtown is the Master Developer that they hired or contracted with; that they're doing Huntington as well. The Ronkonkoma Hub is, I think, TRITEC -- right -- is involved there. So there's various private equity firms that are interested in doing this. Obviously there's a lot of money to be made from the developer's side. But I think it really starts with a Town Board or Village Board that is interested in making a change. If they're -- they just want to block everything, then nothing's going to happen. They have to really say -- recognize that they have a problem and want to work with the community to fix it.

CHAIRMAN CALARCO:

And further to that point I think when you look at the New Village project in Patchogue or the Wyandanch Rising in Babylon, or even the Ronkonkoma Hub going on in Brookhaven in the Ronkonkoma area, the classic zoning models that exist today aren't being used because they're none -- these projects don't fit into any one of those categories. So they're doing overlay zones or they're doing site specific zoning for those locations to allow for the mixed use type of development. Because while New Village has 300 units of rental -- around 300 rental units, it's also got, you know, some 30, 35,000 square feet of office space; and an additional 80, 90,000 square feet of retail space. So it's a mixed use project that really takes into -- a number of different things. So it didn't fit into any of the classic zoning even that the Village had, the Village being a little bit more densely developed than a lot of other areas classically. So you have to work with it. And when Jay mentions the Master Developer, that's exactly what they do, they build that consensus, they come up with something and then they do this overlay zone to help make it actually happen.

MR. ROBERTS:

Good answer.

CHAIRMAN CALARCO:

Great. Thank you. And Mr. -- are you done, Legislator Trotta?

LEG. TROTTA:

Done.

CHAIRMAN CALARCO:

Okay. I think it's important to know, and I think you did make mention of it earlier, because really what you're talking about here is supply and demand. And we have not enough supply for a very pent up demand. But the demand, when we're talking about it, what were the income levels you're talking about again? When you're talking this age group, or these individuals who we're looking to provide for, what are their income levels? What are you talking about?

MR. ROBERTS:

When I talk about -- I guess, the income level that I was addressing for, was for single professionals making \$47,000. That's a single professional. There are other models. There are -- you know, there's a whole range. There are workers -- you know, because we're also talking about workers and retail, you want to provide housing for them as well. We're talking about incomes probably, you know, between 30 and 60,000, you know, for the, say, 60% of area median income. These are technical terms, but that's what -- there is tremendous amounts of federal public resources for that level; 60% of area median income, which is up to about, I'd say \$50,000; let's say 40, 50 -- \$50,000 of income. And that's a lot of people. That's a lot of your, you know, workers that are going to be the infrastructure and support for the downtown. The area that the workforce housing hits is a range going all the way from 30% of area median income to 120%. But I think the important thing is to build the housing; is to attack that supply. And if you allow a developer to attack that supply, you're going to keep -- you're going to keep people here.

CHAIRMAN CALARCO:

I just found that that's an important thing to highlight to people, those income ranges. I actually do have the HUD limits in front of me now for 2014. And 80 -- 60% of median income for a single individual is \$44,000.

MR. ROBERTS:

Correct.

CHAIRMAN CALARCO:

So that's -- you know, you're talking about people who are just out of college with degrees that are getting jobs making that kind of money. We're not talking about somebody's who's -- you're not talking about very low income. You're talking about people who are really trying to get started in life and that we have to provide a place for them to start and go.

MR. ROBERTS:

Ninety percent of all of the affordable housing that's been built in the United States today annually is being built with the Low Income Housing Tax Credit Program, which is focused on exactly that cohort. Unfortunately 75% of it is being built in low income areas. And that's a problem, too, from an equal opportunity issue. So we need all the ranges of housing. But I think what I like about the Fair Share requirements, it shows at each level what's needed. But it's flexible, you know, up to 120 people making up to \$120,000 a year. The important thing is to build the housing. And let's inject some economic revitalization into the Island, which will also create a lot of other benefits and will alleviate some of the problems of poverty that you're seeing now.

CHAIRMAN CALARCO:

Yeah. And what I'd like to point out to people, too, about Patchogue Village, because it gets looked at so often and what's been happening there, and while there's been three projects, Copper Beach and Art Space and New Village, they've gotten some County help, although New Village was a 100 million dollar project and we got 4 million from the County. So we're a small part of their bigger picture. They all started actually with a high density development; Seacrest Village in the heart of the Village, which was a completely, privately-funded 16 per-acre development. It's a beautiful development. The landlord -- the property owner takes very good care of it and it does a great job. And that's actually what kicked start the whole thing in Patchogue Village and shows people that it was a viable thing. And that guy did it with no money from anybody but himself. So it works. And the private sector will do it.

Great. Thank you very much, Mr. Roberts. We really appreciate you giving us so much of your time this morning.

MR. ROBERTS:

Thank you very much.

CHAIRMAN CALARCO:

Okay. I have one other presentation this morning. And I'm sorry, Commissioner, to have kept you waiting so long. Our Labor Commissioner, our Commissioner of Labor, Consumer Affairs and Licensing, Sam Chu, is here. And he's been working on another exciting project here that we're trying to put online in Suffolk County. And many of you remember us getting the Traffic Violations Bureau but at the same time we got permission to create a Taxi and Limousine Commission. This is actually very important for folks in our limousine industry to give them some parity with Nassau and New York City folks. So, Commissioner, if you would, please.

COMMISSIONER CHU:

Sure. And I will keep my presentation -- the formal presentation intentionally brief to allow time for questions. And this dovetails nicely from our previous presentation because young people certainly want to have -- when they have too good of a time, they want to be able to walk home. And when they have really too good of a time, they certainly might need to take a cab or a limousine home.

CHAIRMAN CALARCO:

We have many, many taxis lining up in Patchogue Village at night.

COMMISSIONER CHU:

That is correct. So I'm going to quickly go over for those that are new to the body -- new to the Committee. And I would be remiss if I didn't thank Chairman Calarco and the many -- the several members of this Committee and others of the Legislature that have shown leadership on this issue; particularly I've met on many occasions with Legislator Calarco, Legislator Lindsay when he was a civilian and since as a Legislator, Legislator Cilmi and Legislator Stern and the late Bill Lindsay were all very interested in this.

So the impetus for -- and the driver for this begins with the fact that New York City, Nassau County, Westchester, Rockland Counties, which were all the closest -- represent all the counties in closest proximity to Suffolk County all have -- are jurisdictions that register and license for the purposes of inter-jurisdictional -- for intra-jurisdictional and inter-jurisdictional travel for livery vehicles, taxi and limousine vehicles. And together amongst these counties, they have agreements that if they meet certain requirements, that they do not ticket -- they do not ticket partnering -- partnering jurisdictions. They do not ticket vehicles or drivers who are registered and licensed by partnering counties who recognize the same standards.

We did not have this and we still do not have this. And that's what we're here today to discuss. And this created a problem historically, particularly at the time when Nassau County launched -- launched their program. It put Suffolk County operators in a position to get ticketed and gave them little recourse at the time to do anything about it. So the impetus for this was that operators who choose to base themselves and operate as a Suffolk County business were essentially at a competitive and a regulatory disadvantage. The Legislature -- this Legislature -- I see a nice picture of Supervisor Romaine -- responded to this by passing a Home Rule message back in 2007 that would -- that would essentially call for the State to take action and grant Suffolk County, you know, regulatory authority that could bring us to parity with the other jurisdictions.

And now several years later, at next week's -- on the 29th we have filed legislation and it will be introduced next week and laid on the table legislation that will formally -- that would formally create the Suffolk County Taxi and Limousine Commission, which we comprised of six members as recommended by the legislation: An appointee from the Suffolk County Supervisors' Association; two from the County Executive; two from the Legislature and one directly from the Presiding Officer;

4/23/14 Gov Ops, et al Committee meeting

and one at large from the Legislature and myself or my designee being that the legislation calls for housing of this function in the Department of Labor, Licensing and Consumer Affairs.

Now, I've had this conversation with several of you. It was -- and this is somewhat as Legislator Calarco pointed out, you know, this was, you know, authorized, you know, sometime ago, you know, but I was -- you know, we -- we -- we've heard throughout this week about the -- our continuing -- our continuing navigation of the budget issues and the budget constraints that the County's government faced with. So it was very important that when we did -- when we do implement this, that we implement it properly. We have very little margin for error these days in County Government.

So the path that, you know, we choose after examining the issue for several months, and it became apparent that if we did not want to make this, you know, if we wanted to ensure that this would at least be a revenue-neutral program, that significant technology improvements would need to be made to mitigate against staffing bloat.

We have gone through -- over the last several months we had gone through an RFP process to select software that would not only enable the implementation of the TLC functions in a modern way, in a work-efficient way, but also would be -- would be included in a package that would modernize the entire technology program, and we've had these discussion in this Committee and on an individual basis many times, that would modernize the Consumer Affairs functions for the County that would allow for efficient degrees of staffing as well as a much better user interface and access to information for not only consumers but also for end users such as our staff as well as those who are licensed themselves.

We expect to do this with minimal staffing that will -- and with no dedicated staffing to this. This -- we expect to house this within our licensing function, which will allow for cross-trained individuals to not only serve functions related to the TLC, but other existing licensing functions to make sure that we are not -- we don't have downtime. In contrast, Nassau County employs six full-time staffers dedicated just to Taxi and Limousine Commission, which, you know -- and, you know, I hope I'm not speaking out of school there, all that stuff's public, you know, doesn't -- isn't necessarily in a position to create revenue, to be a revenue-neutral proposition which is a goal that we have, to be at least revenue-neutral and hopefully actually be a revenue-positive function like many of the -- many of the functions of the Consumer Affairs unit are now.

Of course, we discussed the initial impetus for -- to serve the constituency with this industry, but, of course, we need to make sure that we're looking out for the consumer; that is, of course, the primary function and mandate of the department; and all the services that we provide in the County are looking out for our constituents. So we will be requiring as the other partnering jurisdictions and the Counties do, fingerprints; criminal background checking and drug testing; requirement of operational safety inspections for vehicles; as well as defensive driving courses for operators. And as is similar to many government services, we will be checking for if someone is in arrears for child support payments.

The violations -- we will have purview over hearing violations that will be handled by our Department. We initially explored -- we know the question's come up several times of handling them in TPVA, Traffic & Parking Violations Bureau, but their Charter does not allow for it so we will be hearing the hearings. But a good thing that came out of that conversation was that we certainly could have access to the Administrative Law Judges that they currently use on a per diem basis. And, you know, as our -- as we consolidate departments, this was something that since, you know, this Department's been under my charge, I realize that the way we handle not all of the hearings, let alone new hearings, that will result from TLC, I think that that is a worthwhile direction to go through to draw upon the experience in many cases people who are retired judges that have -- have

4/23/14 Gov Ops, et al Committee meeting

the experience to oversee many matters in a judicial fashion. So we intend to utilize the same pool of Administrative Law Judges that TPVA uses to make sure that people are getting fair hearings by people who have the experience to oversee them.

So in closing, you know, the future reciprocity is that we will -- as soon as this -- we have laid this on the table. Should it pass, the timeline is, this could be active as soon as June 3rd of this year. And we are working simultaneously to make sure that should the body -- should the full Legislature pass the legislation creating the Commission on June 3rd, we would be prepared to go into operation at that same time. And we have discussed this with industry representatives who are quite excited about the prospect of something that's been spoken about for many years.

And I will leave you the formal presentation with a sample of -- on either side of the other Counties that are represented, what our resulting car decals would look like. There's two colors there because we will alternate from year to year to make sure that -- it makes it easier for -- for enforcement in a given year so they can spot old stickers more readily.

So with that, that is the end of the slideshow and I'll be glad to answer any questions.

CHAIRMAN CALARCO:

Thank you. Legislator Hahn has a question.

LEG. HAHN:

I have had more than one complaint about our taxi drivers being drunk when youngsters have called on them to pick them up after drinking themselves trying to be responsible. Can you talk to me about a, you know, how -- you talked about drug and alcohol testing and things, but what can we do as an agency to protect riders in case that's something that's happening frequently?

COMMISSIONER CHU:

Well, I have experienced that myself, you know. You know, I've taken on several occasions -- one that stands out specifically in my mind was the time where, you know, I actually made a decision because I had a few drinks, and I said, you know, "I'm definitely, you know, not going to drive myself home." And then I would find myself in a taxicab thinking, you know, "I think I would have been safer if I had, you know, driven myself home." Not that I ever would. So I would -- my answer to that would be first if we do -- if anyone does have a complaint about an intoxicated or under-the-influence driver of any motor vehicle, that I think there are certainly more serious charges to be levied and investigated beyond what our agency will be able to do once this is implemented.

But, you know, that's addressing -- that's addressing -- and after the fact, you know, we are going to be requiring for our licensure drug and alcohol testing. So to the extent that -- to the extent that, you know, drug and alcohol testing can serve to prevent such situations, which it can only do to a point, it will. And at the very least it should provide as a deterrent for those who have serious problems from getting into the -- from getting into the business or making a livelihood in the trade. That being said if someone has that experience, I would suggest they call the police first, but certainly that's something -- if it comes to our attention, it's certainly something we would investigate if someone is licensed by our agency.

LEG. HAHN:

So we're establishing an agency to oversee taxis and limousines.

COMMISSIONER CHU:

Correct.

LEG. HAHN:

I want to know that we're going to have a way to investigate this kind of complaint. Because now we are taking on an added level of oversight of these operators. And in doing that, I believe we have an added level of responsibility to be sure that something like that is not the norm, and which is what I just -- I'm hearing from more and more people that that happens. And that's very concerning to me. And I think we need to have -- I think your agency, if this is what we are establishing, has to have a way to investigate that and to make sure it's not happening.

And if that means that we're not going to like, you know, bring in revenue, but we're going to, you know, be revenue-neutral instead of bringing it in, I'm okay with that. Because if we're creating an agency to oversee taxi drivers, we should oversee taxi drivers. And I'm very -- this is something I'm very concerned about. Because we want our roads safe and we don't want a whole industry of folks that are there to assist people to get from place A to place B and that there's this kind of problem. Well, we have kind of complaint lines and requirement that there's a posting of a complaint number and agency number within every taxicab and limousine.

COMMISSIONER CHU:

We were able to reserve (631) 853 TAXI, which is not operable yet. We were unable to get LIMO. We tried to get that one, too. It's not in use. We're still going to see if we can get that one, which goes along with our County exchange for many of our numbers. So the answer to that short question is yes.

The answer to the greater question is, you know, the legislation gives authority of enforcement to not just our agency but also to County law enforcement personnel. We expect, and as I alluded to with my initial answer, certainly drivers -- taxi drivers or limo drivers who are under the influence of any drugs or alcohol, I think, are subject to a much -- should be subject to a much greater degree of charges, you know, besides what they would be subject to under us, which would -- you know, the ultimate -- the ultimate course of action that we have, or I should say most severe course of action we have in any situation when it comes to licensure is revocation. And we're a civil enforcement agency. You know, we're not a criminal enforcement agency.

So, you know, to the extent -- and we intend, just as we do with other matters -- you know, I was with Legislator McCaffrey last week. We coordinate when things go beyond the severity that we're in a position to enforce. You know, we work with the other agencies that can act on criminal charges. So we would do the same in this situation.

LEG. HAHN:

So -- but will there be a requirement that that number is posted, you know, in fairly large print in every vehicle?

COMMISSIONER CHU:

It's on -- it's on the actual decals. It's -- you know, that's what we have.

LEG. HAHN:

Yeah, but I think there should be a requirement that -- kind of like in New York City, they have a requirement for all kinds of things to be posted in the back where the passenger is sitting. I think that we should have a requirement that that number -- that complaint number is posted, you know, maybe something about, you know, "report complaints" and possibly, I don't if it should mention or needs to mention intoxication, the potential for that, but I think we should have a system with -- whether it's with PD or, you know, that's probably appropriate, but something set up so that there's regular inspections of folks. You know, how that would work, that's up to your Division. But if we're establishing an enforcement -- an agency here, that should be, you know, the safety of the riders should be goal number one. And clearly, you know, having some sort of inspection

procedure and making sure that that kind of activity is not happening is really important to me.

COMMISSIONER CHU:

Thank you.

LEG. HAHN:

Thank you.

CHAIRMAN CALARCO:

Thank you. Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:

Thanks, Sam -- Sammy. So most of the focus has been on limousines, I think. And I understand that it's a real serious problem with -- you know, those Suffolk companies not being able to go through Nassau without getting ticketed. They certainly ought to be. And this, I think, is a good direction.

In my District, as what Legislator Hahn was talking think about, is taxis is the big issue for me. It just seems like, you know, every year there's like all these new startup taxi companies. Because it doesn't take much. You buy a car. You have a phone number. It's your cell phone. One guy can start his own taxi company. And the Towns are trying to regulate them, which I think is a mess and they're creating all kinds of crazy rules, you know, where the taxis can go, how many taxis you're allowed to have. You know, they're trying to protect the local companies and keep the other companies that might be one town over from coming, all kinds of associated problems with taxis.

And I hear the horror stories, too, about people who, you know, depend, let's say, on Suffolk County bus and they miss the last bus -- you know, one woman told me she missed the bus from Riverhead to Sag Harbor, you know, she paid \$40 for a taxi. She said "that was my food money for the week. That was it."

So the prices some of these taxi companies are charging, you know, are really taking advantage of people. And we have -- we haven't controlled the prices. And I don't know if that's something that you're contemplating, but, you know, a lot of areas it's metered. And I think that really protects the consumer. I'm actually a little concerned, you know, when I saw those numbers about what it might cost to operate, even if it's revenue-neutral, you know, a lot of it may get passed onto the riders that they'll have to pick up the cost because now the, you know, the limo drivers, etcetera will have to pay these extra fees for the licensing. If we could do something on the rate end to protect the consumers -- do we have that authority? And can we -- if we establish our Taxi Limousine Commission, can we supersede some of these local rules which are making it very difficult for these taxi companies to even operate?

COMMISSIONER CHU:

The answer to the last question, which is really the place to start, is no. As with many -- as with many municipal functions, we do not have the ability to supersede the local licensing or our registration laws, our codes. And the -- that is, you know, that -- that all goes back to what the State, you know, what the State codes give us authority to do. Primarily what this bill -- and it does have limits -- primarily what our authority is -- has been given by the State -- the authority we've been given by the State is to license -- is to register, as is written verbatim in the State Code, we have been given the ability to register vehicles in Suffolk County, primarily for the purpose of -- and that's taxi and limousines, for the purpose of, you know, inter-jurisdictional recognition.

We do not have the authority to enforce -- the State doesn't give us the authority to enforce or impinge upon existing State authorized municipalities. There's 11 right now that are in operation.

4/23/14 Gov Ops, et al Committee meeting

There's a twelfth that has code on the books, but isn't -- isn't -- hasn't practically implemented an operation. What this does, you know, as a, I guess, kind of a work-around to the limits of the State -- to the State Law, what was included in this legislation that'll be before you, gives me the ability to negotiate MOUs, enforce MOUs.

So Southampton's a great example. We've been having conversations with them for well over a year. They want help with enforcement. They're inviting. That's actually a jurisdiction that although we don't have the authority under the State to do it, we're in a position where we could enter, you know, an enforcement MOU with them given the fact that we have, you know, we would have a greater degree of resources and we can have -- we can make an agreement in terms of revenue share to do that type of civil enforcement because we know that there's a great problem out there. And they recognize it. And, you know, we are -- would like to -- we'd like to work with them to make sure that we can help solve that together. So the legislation, you know, gives the ability for that type of cooperation should the municipality be willing to entertain the conversation and reach an agreement, but it doesn't supersede their authority.

D.P.O. SCHNEIDERMAN:

I see some of these local taxi laws as problematic. You know, taxis go from town to town; there's no question about it. It's similar to what we're talking about with Suffolk and Nassau.

COMMISSIONER CHU:

Should the body have the desire to supersede those, I suspect that it would, you know, it would probably -- it would require this body to pass a Home Rule Law asking the State to essentially fold up the --

D.P.O. SCHNEIDERMAN:

Right, maybe down the road. Because right now -- I mean we're having the same problems with some of the home improvement contractors with all the local licensing. And if you're an electrician, having to get so many different licenses, or plumber.

COMMISSIONER CHU:

And this body acted on that, which, you know, we're supportive to make sure that doesn't get out of hand. You know, so again --

D.P.O. SCHNEIDERMAN:

Can you speak to the issue about metering taxis?

COMMISSIONER CHU:

You know, metering, again, that would be a tremendous undertaking.

D.P.O. SCHNEIDERMAN:

Do we have the authority to do that or no?

COMMISSIONER CHU:

You know, the legislation doesn't specifically speak to it. I think it would probably -- you know, the first issue we just discussed would probably be, you know -- would probably precede any movement towards metering. Because metering is something that, you know, would require inter-jurisdictionally some degree of, you know, regulatory homogenization. Given that we have -- now we will be essentially the thirteenth authorized, you know -- you know, regulator in Suffolk County to have purview over this specific function. That doesn't seem like it would be a likely endeavor, if we tried to do something like that. It'd also be extremely costly. New York City is the only -- you know, Nassau County does not meter. It would be --

D.P.O. SCHNEIDERMAN:

I would take it, then, there'd be no like, medallion kind of thing that we give. There's no limit as to how many people could operate taxis.

COMMISSIONER CHU:

Again, no. You know, it's questionable whether we have authority. And -- because it's certainly not clear in the legislation -- in the State legislation. But I can tell you from a practical matter, even if we did have the authority, it would be a tremendous undertaking to do it. You know, our -- you know, our goal as an agency is really to get the basics right. There's, as you's mentioned, you know, this was something that was, you know, authorized some time ago. There is always -- there's always room for incremental improvements and evolution of the function. Being that we're introducing this, you know, this year, we want to make sure we satisfy the primarily goals, you know, which is serving the needs of our two primary constituencies, which is the operators and the constituents and the consumers.

We can certainly -- once we have -- once we have some years of practice and experience in the function, we'll have more data, which will certainly be readily available, you know, due to the technology investments we're making, which will allow us to determine and do a more accurate, you know, cost analysis of what exactly -- what exactly it would take to implement a metering program. We could track consumer complaints to determine what type of need, you know, the magnitude of need. I understand a lot of us are -- a lot of us are, you know, we're in the business of kind of extrapolating from anecdotal, you know, conversations, but we will -- after a year or two we'll actually have some real data that will allow us to know how big of a problem things are.

D.P.O. SCHNEIDERMAN:

I mean that would be helpful. If you guys could do a little research and find out if a lot of people really are getting ripped off or taking advantage of. And maybe there is a role for us to play there.

COMMISSIONER CHU:

And we will not -- we do have the right to -- the agency has the ability to right, you know, under the broad -- you know, again, this is, you know -- I know you've been paying close attention to the gas station regulations. And we have -- we do have the ability to right as an agency unconscionable business practices. So in cases -- in the most egregious cases, we will have the ability to, one, you know -- you know, go down that road and bring people in for a hearing to that end. And, again, we also have the ability to refer to other agencies, you know, like the Attorney General, the District Attorney for matters that are -- of the most -- that are the most egregious situations.

D.P.O. SCHNEIDERMAN:

I appreciate that.

CHAIRMAN CALARCO:

Okay. Legislator Cilmi.

LEG. CILMI:

Thanks, Commissioner. So a couple of questions. I wanted to just sort of quickly redress what, I guess, both Legislator Hahn and Legislator Schneiderman were talking about in that I want to be reassured that we do have the ability to revoke or suspend license or -- it it properly referred to as a license or a permit or --

COMMISSIONER CHU:

It would be vehicle registration. What we're specifically authorized to do is vehicle registration for the purposes -- for the purposes of inter-jurisdictional reciprocity. To comply with inter -- the requirements of inter-jurisdictional reciprocity, we are required to license those drivers that are

driving registered vehicles. Because otherwise we would not be to the degree of -- we would not meet the minimum bar to achieve reciprocity with the other jurisdictions that we're -- you know, that we're seeking reciprocity with. New York City -- namely New York City, Nassau County, Westchester.

LEG. CILMI:

Okay. So it's a two-prong system where we're actually registering vehicles.

COMMISSIONER CHU:

And licensing drivers.

LEG. CILMI:

And licensing drivers, yes.

COMMISSIONER CHU:

That's the minimum bar we have.

LEG. CILMI:

So if we're licensing drivers, then, we have the ability to set some criteria for that licensure.

COMMISSIONER CHU:

We have. It's background checks, fingerprinting.

LEG. CILMI:

Right.

COMMISSIONER CHU:

You know, drug testing.

LEG. CILMI:

Right. So I would imagine then --

COMMISSIONER CHU:

Child support.

LEG. CILMI:

-- that we have -- likewise have the ability to identify criteria that would be cause for revocation or suspension of license. There's gotta be a hearing process, I would imagine, that goes --

COMMISSIONER CHU:

As with all licenses, we would have -- in circumstances of violation, we would have hearings. And, again, our -- you know, our ultimate -- our most severe recourse is revocation of any license, you know, we issue.

LEG. CILMI:

So if somebody's found to be -- if somebody's arrested for DWI, as an example, we could make that a grounds for either suspension or revocation or whatever. Is that something that you planned to do or not or --

COMMISSIONER CHU:

Well, generally we, you know, if someone's convicted, you know, we would have the ability to revoke certainly. And that would be -- that would be great cause for revocation. And we can do -- we're going to be set up to do background checks as needed, as we desire. And we are -- you

4/23/14 Gov Ops, et al Committee meeting

know, this function requires, you know, ongoing and regular, if not daily, communication with Suffolk County PD. And so -- as well as, you know, referring to other law enforcement agencies. So, yes, the answer -- the short answer would be yes, if someone is found, you know, guilty of a crime, certainly one related to operation of a motor vehicle, yes, we would be in a position to revoke.

LEG. CILMI:

Right. Okay. So -- and on the other -- on the other hand with respect to the vehicle registration, we could require certain postings of phone numbers or what not within the vehicle itself.

COMMISSIONER CHU:

If it's not, I think that's a good suggestion.

LEG. CILMI:

Okay. So I wanted to be sure that we -- that we utilize the right verb in having this conversation. We could. And will we?

COMMISSIONER CHU:

I mean, I think that's more than reasonable -- I don't see any reason -- you know, of course, I'll always confer with the attorneys, but I don't see any reasonable -- I don't see any reason to not include that in the legislation.

LEG. CILMI:

The legislation that we're going to be --

COMMISSIONER CHU:

It should lead to some pretty interesting, you know, messages, too.

LEG. CILMI:

I'm sure. The legislation that you're presenting to us, does it give the Department some regulatory leeway in terms of what, you know, what your requirements are for licensure; and conversely what your criteria is for possible revocation or suspension?

COMMISSIONER CHU:

Again, a lot of that thinking was done for us because we needed to be in, you know -- we need to be in parity with the other jurisdictions. You know, so just as a reference point for anyone who's ever taken, you know, a limo or taxi that's licensed in New York City, you know, we will be meeting those -- you know, the same requirements that they are. You know, we have to -- you know, to essentially -- we have to -- there are minimum requirements spelled out in the State Code that we have to meet to achieve that reciprocity.

LEG. CILMI:

So a lot of what we're asking, then, may already be prescribed in some way by the State Code.

COMMISSIONER CHU:

Quite a bit of this, the legislation, that's been presented -- that's being laid on the table is cut and pasted from the -- you know, from the things that are directly -- you know, we didn't want to -- we didn't want to get to -- we don't want to, you know, leave much room for interpretation. We want to be very clear that we have every intention of complying, you know, with the State Code to achieve that minimum degree of -- to meet the minimum requirements for reciprocity.

LEG. CILMI:

What about the fees associated with the licensure of -- both the registration of the vehicle and the

licensure of the driver?

COMMISSIONER CHU:

Well, right now what was kind of a remedy for a lot of the operators that operate out of Suffolk County was that they were being licensed in Nassau County. You know, our expectation, and as we've been told, you know, anecdotally by many of those people in that situation, many of the operators, business owners in that situation will be that they will be registering now in Suffolk County. Again, we were -- we're kind of late to the game here. So our ability in terms of being creative with fees and fines is limited because we essentially didn't want to price ourselves out of the market. So, you know, we have chosen -- for that reason because if there's no incentive -- if there's no incentive to move the license over, you know, we will -- you know, we will be defeating the purposes -- the big purpose of the bill. So our fees are for the most part in parity with Nassau County's fees for licensure.

LEG. CILMI:

And what are they?

COMMISSIONER CHU:

I don't have --

LEG. CILMI:

And we have discretion as to what those fees would be?

COMMISSIONER CHU:

This body would have to -- you know, it doesn't give me the authority to change fees without coming before the Legislature.

LEG. CILMI:

The County has the discretion --

COMMISSIONER CHU:

The County does.

LEG. CILMI:

-- through a legislative resolution to set those fees?

COMMISSIONER CHU:

Yes. I have to look it up.

LEG. LINDSAY:

If I could interject, Commissioner, I think it \$150 a car? It was a nominal fee for the license itself. It was in parity with Nassau County's as I recall.

COMMISSIONER CHU:

Give me a second to look it up.

LEG. CILMI:

While you're looking, is there an annual renewal requirement?

COMMISSIONER CHU:

Yes.

LEG. CILMI:

For both? For both the registration of the vehicle as well as the license of the driver?

COMMISSIONER CHU:

That's correct.

LEG. CILMI:

The -- when your -- is the cost the same for the initial licensure and then for renewals?

COMMISSIONER CHU:

Yes, it is. I believe so. Let me -- I'm pulling it up right now. I have it right in front of me. Just give me a moment. We did -- we did -- you know, we did think, consider before we submitted, you know, what we could do with fees, but at the end of the day, you know, when you're -- when you're --

LEG. CILMI:

You don't want to create a situation where nobody wants to serve Suffolk County.

COMMISSIONER CHU:

Exactly. Well, it's not about serving; it's a matter of being licensed with the County. We didn't --

LEG. CILMI:

Well, if we require licenses, and those licenses are prohibitively costly, then ultimately you'll -- you won't have any service in Suffolk County.

COMMISSIONER CHU:

True. And we're also -- you know, we're also recognizing -- we're also recognizing licenses from other jurisdictions.

The initial fee is 300. I'm sorry. And the renewal is \$250 for the vehicle. There is a minimal fee of -- there is a minimal fee for reciprocal license which allows for intra -- intra-county travel of \$5; that, again, goes in line with recognizing the other jurisdictions. So, for instance, not giving -- and we will have -- we have similar -- we have similar courtesies from the other jurisdictions. So if there's a New York City operator that's licensed and meets all the -- they would be able to get a reciprocal license without having to go through all the -- the same motions that we require because they've already done them in New York City or Nassau County or Westchester. That's for the registration.

LEG. LINDSAY:

Outer county.

COMMISSIONER CHU:

Yeah, that's for -- that's for outer county. That's for outer county. That's -- and just to be clear that's the -- the jurisdictions in question are County jurisdictions, not the -- not the Suffolk County jurisdictions that already have. There is no -- there's no reciprocal mechanism for that. So the answer is --

LEG. CILMI:

So it's 300 per vehicle, 250 for renewal for the vehicle registration yearly.

COMMISSIONER CHU:

Yes.

LEG. CILMI:

Five dollars for, I guess, the driver to be --

COMMISSIONER CHU:

No, \$5 is still for the vehicle.

LEG. CILMI:

Okay.

COMMISSIONER CHU:

But that's for -- that's for --

LEG. CILMI:

They go outside Suffolk County.

COMMISSIONER CHU:

Reciprocal license.

LEG. CILMI:

Right. We recognize -- in other words -- so the driver just be licensed in Suffolk County. But if that driver wants to be -- if a driver in Nassau County is licensed in Nassau County and wants to be recognized in Suffolk County, then the \$5 is --

COMMISSIONER CHU:

Yes, and that would be reciprocal for both the --

LEG. CILMI:

They wouldn't have to pay twice, in other words.

COMMISSIONER CHU:

Exactly. You know, we don't -- we're not trying to, you know, fee people out of business, as I know you appreciate.

LEG. CILMI:

I do. It ultimately just gets passed onto the, you know, to the fares anyway, so. Did you get -- I'm sorry, did you get to what the licensure of the individual is?

COMMISSIONER CHU:

Oh, hold on. I just had it here.

LEG. CILMI:

And I do -- I just have one another -- after you finish that, I have one other question.

COMMISSIONER CHU:

That would be \$50.

LEG. CILMI:

Okay. So it's \$50 annually.

COMMISSIONER CHU:

Yes.

LEG. CILMI:

With respect to the page that listed the different, you know -- is fingerprinting, criminal background checks, etcetera, etcetera, drug test --

COMMISSIONER CHU:

It's worth noting that those -- also -- many of those functions will -- it's a \$50 fee to us, but there will be other costs for the individual licenses. They will have to pick up the cost for the drug testing.

LEG. CILMI:

Okay. All right. With respect to the "no applicant will be given permits if they are found to be in arrears of child support payments," that concerns me. I'm certainly sympathetic to wanting to, you know, wanting to deny permits to somebody who's deliberately, you know, attempting to, you know, ignore their responsibilities as directed by the Court. But, you know -- I've at least had situations where constituents have come in to see me who are in violation of their child support agreements because they lost a job or whatever and they're attempting to, you know, to establish an arrangement where they can pay their arrears. And it's not that they don't care about their children or their ex, you know. So, in the enforcement of that provision, I would suggest and hope that there's some latitude given for, you know, somebody who's shown a desire to be, you know, to be -- to comply with their responsibilities; and that we're just not sort of denying people the ability to make a living and, in turn, basically preventing them from, you know, from complying with their court-ordered child support.

COMMISSIONER CHU:

I would suggest we're probably not the appropriate body or equipped to do so, to give that kind of latitude, you know.

LEG. CILMI:

Is that something that's -- so is that particular requirement a New York State requirement?

COMMISSIONER CHU:

I don't know that for certain, but I know it's a requirement that we -- we use on all of our other -- you know, we use that. It's consistent with our other licensing requirements in the County. And I wouldn't be surprised if it was part of the requirement from the State, but I couldn't say for sure.

LEG. CILMI:

Really. So what do you say then to -- if you're an electrician by trade licensed by the County and you're in arrears of your child support but in no -- you know, you're doing your best to comply, are we not allowed to make -- to make consideration for that? Then how does the electrician actually support their child?

CHAIRMAN CALARCO:

The electrician goes to Court and makes a case to the Judge that he is under a hardship and the Judge will alleviate any penalties being imposed upon him.

LEG. CILMI:

Well, no. But they're still technically an arrears at that point.

CHAIRMAN CALARCO:

Sure.

LEG. CILMI:

And that's the distinction that --

CHAIRMAN CALARCO:

The Judge could give some leeway there.

LEG. CILMI:

No, the Judge can't give -- if you're in arrears, you're in arrears.

LEG. LINDSAY:

I think the difference here, too, is they can -- in New York State they can suspend your driver's license for being in arrears. And you can't operate a limousine if you have no driver's license, or a taxi.

LEG. CILMI:

All right. I get that. Except that -- I want -- I see somebody in the back is desperately trying to get in on this conversation, but my point is if we're going --

COMMISSIONER CHU:

Just for the record, he's not in arrears. (Referring to Tom Vaughn - Laughter)

LEG. CILMI:

He's not in arrears, right. Nor am I, by the way (laughter). Or do I have any reason to be. My point is that if we're -- if somebody wants to pay their child support, but we deny them the opportunity to work, to do that, then we're harming both the person who's in arrears and the children. That doesn't make too much sense to me. I think it should be -- there should be some consideration for that somehow.

COMMISSIONER CHU:

Your point's taken, Legislator, but I just don't think we are equipped to make any sort of decision based on child support matters. You know, we can only -- that's a function -- that's a criteria that we can only see black and white on. That responsibility lies with a different entity.

LEG. CILMI:

But if we're making it a requirement that -- or if we're prohibiting anybody who's in arrears of their child support payments from driving a taxicab, then it seems -- I mean, is that our -- are you suggesting that that's our criteria? Is that criteria that's shared?

COMMISSIONER CHU:

Legislator, we're no more -- we're no more equipped to make a decision based upon that than we are to make a medical decision based upon whether someone's drug test is accurate.

LEG. CILMI:

I'm not suggesting that we're equipped to, you know, come to some judicial conclusions as to -- as to whether or not the arrears are appropriate or whatever. All I'm saying is that if we're making a requirement that -- that somebody who's found to be in arrears of child support should not get a permit, what I'm saying is that maybe we should change that requirement. Maybe we should find that if somebody's shown by a Court to be, you know, making a good faith effort that they could get the permit. I don't know how to word it but --

COMMISSIONER CHU:

For the purposes of time, you know, this is -- this is just a presentation. The resolution's going to come before the Committee in the next cycle. I can assure you I will have the specific answers of concern to you by the next Committee meeting.

LEG. CILMI:

You know, I just don't want -- if I'm a mother or a father who owes child support, it seems counterproductive to me to deny that person the ability to work in order to pay their child support. That's all I'm saying. And I think there should be some way of dealing with that. Tom, do you have a --

MR. VAUGHN:

No, but thank you for asking me. Commissioner, I am not in arrears. I don't have any children either.

MR. LAUBE:

Not that you know of (laughter).

MR. VAUGHN:

No, it's not even a question of whether I know of it. I'm positive I don't have any children.

That being said, I did have just a brief conversation with our former Consumer Affairs Director. And he has informed me that there is a -- there is a method that can be worked out between Consumer Affairs and the Department of Social Services. I'm not going to get into the specifics of it because I don't know the specifics of it, but he has assured me that there is some type of method. And in terms of what my -- my understanding of the language that the Commissioner was referring to is that it's a direct cut and paste from the New York State Law. So we are bound by whatever the New York State Law is. And, again, we'll confirm that and have a deeper conversation on what exactly we can and can't do when the bill is exactly laid on the table and before you guys.

LEG. CILMI:

Okay, that's great. I only ask that we consider that. And if there's a way that that -- you know, that it's not a hard and fast requirement, then, you know, I'd be interested in knowing what that is exactly. And I'll look forward to having the conversation at the the point where we debate the bill. Thanks.

COMMISSIONER CHU:

Understand -- not to belabor the conversation, but understand that this particular piece of legislation differs from some of our other license functions due to the fact that we are -- you know, there are certain minimum requirements we need to meet by the State. So there are certain things we have less degree of local latitude to do than we do on others.

LEG. CILMI:

Yeah, I appreciate that. And I don't know that that's the case. And that's why I'm asking that question.

COMMISSIONER CHU:

We will have answers. We can talk offline. We can talk at Committee. I'll be glad to do that.

LEG. CILMI:

All right. Thanks.

COMMISSIONER CHU:

My office is always open to you, Legislator, you know that.

LEG. CILMI:

I do know that. Thank you.

CHAIRMAN CALARCO:

Legislator McCaffrey.

LEG. McCAFFREY:

Thank you. Commissioner, thank you. Would it be fair -- first of all for the record I am not arrears in my child (laughter). And as Legislator Cilmi said --

LEG. CILMI:

Why don't we just ask everybody in the room.

LEG. McCAFFREY:

-- I would have no reason to be as he.

(Laughter)

COMMISSIONER CHU:

Thank you for the clarification.

LEG. McCAFFREY:

Thank you. Is it fair to say that the focus of this is more on livery cabs, livery cars as opposed to taxi cabs?

COMMISSIONER CHU:

The legislation itself is actually agnostic to the difference. So, you know, I think -- I think the Clarion Call, you know for action came from the limo industry, you know, but the legislation itself covers both with equity; you know it doesn't make a great distinction. I think they are two distinct industries. And how we interact and how we communicate and how we enforce will be different. But for the legislation itself, it doesn't make a great distinction.

LEG. McCAFFREY:

The only problem I see is the -- as you said -- I had to write this down -- inter-jurisdictional homogenous integration with the Villages and --

COMMISSIONER CHU:

Yeah. We won't be enforcing in Lindenhurst. And we don't -- we don't have the authority to. Unless Lindenhurst invites and we enter into some sort of agreement to do so.

LEG. McCAFFREY:

As you know, all the Villages and -- I'm not sure if the Towns do have that -- they have their commissions. And they already make the taxicab drivers jump through hoops, have the same fingerprinting and all those kinds of things so I would -- would they have to duplicate what they're doing in those Villages and Towns that require it now to do the same thing? Would they be required to get a license to have a taxi -- operated taxi --

COMMISSIONER CHU:

Out of the 11 jurisdictions currently that license -- that actively license, there are only two that and -- you know, we -- I should say that come even close on paper to meeting the minimum requirements that our license needs to meet to achieve reciprocity. So right now a reciprocal -- a reciprocal situation is not a possibility. Again, you know, I expect there'll be -- with our entry into this and the County, I expect there will be some evolution over time, you know, of how this gets enforced and how this gets regulated.

But to give you an example that I think will illustrate, you know, the scenario as best as I can, in

4/23/14 Gov Ops, et al Committee meeting

Lindenhurst if a taxicab -- if a taxicab operator and the car and operator are licensed and registered in Lindenhurst and they operate in Lindenhurst and that's their base of operation and they don't leave Lindenhurst, then they're -- we're never going to see them. We would never have an opportunity to. It's outside of our jurisdiction.

If, you know -- if they do, if they're travelling in other parts of the County that aren't licensed that fall outside of the boundaries of license jurisdictions, which is the vast -- which is a large portion, I shouldn't say the vast majority because Brookhaven is licensed so that's a big -- that's a big section of the County, you know, we would be in a position to enforce. We are primarily enforcing those that travel inter-county; so between Suffolk and Nassau. That's the very clear -- that's the very clear authority we've been given by the State legislation.

To address that, you know, we're requiring for those that are licensed to keep logs; keep travel logs of where they go. But we do not intend and we do not have the authority to encroach on any local jurisdiction. But that being said, licensure and -- licensure and registration in one local jurisdiction doesn't do that operator any good when it comes to getting what the ultimate -- the industry value of our license, which is granting inter -- inter-county reciprocity.

LEG. McCAFFREY:

And that's generally the work that's done by the livery drivers as opposed to the taxi drivers. And my concern would be if someone's licensed in Lindenhurst and/or Babylon, and I know if they pick up their fares in those jurisdictions, they can go outside their -- for instance, Lindenhurst to Babylon or -- from time to time I know my adult children will go to Babylon and they'll take public transportation going back and forth to Lindenhurst. So you're saying if somebody goes outside that jurisdiction for which they're already licensed and required to pay fees and go through all these fingerprinting and the background checks, if they were to go, say, from Lindenhurst to Babylon, then -- it would then come under your purview and have to go under the same licensing -- the additional licensing requirements from Suffolk County?

COMMISSIONER CHU:

Yes, they would be potentially subject to that. But, again, our primary enforcement responsibility is going to be for inter-jurisdictional travel. But for those like -- you know, for Brookhaven license, for instance, someone who's never leaving Brookhaven is not going to have that issue.

LEG. McCAFFREY:

But the difference is that you could travel all day in Brookhaven and not have to leave Brookhaven, but, you know, these -- the Villages, they're going to leave it. I just see it as being a hardship on these taxicab drivers who are already regulated as opposed to -- I think it's a great idea, the unregulated livery cabdrivers should come under some sort of jurisdiction of the Consumer Affairs. I mean, right now if there's complaints in Lindenhurst for taxicab drivers, they have to come up every year to renew their license, meaning the company. And if there's problems, they say "hey, you're out." You know, so that's the hammer they hold over them, the same way --

COMMISSIONER CHU:

We will have the same.

LEG. McCAFFREY:

I understand. I just don't want to make an overburden on those taxicab drivers that are already, you know, having to submit to the burdens of their regulations within those local municipalities already. So I just think possibly you should keep that in mind when regulating the taxis.

COMMISSIONER CHU:

Sure, it is in our mind.

LEG. LINDSAY:

Commissioner, isn't it -- if they're already licensed by the Village, the licensing fee to them here would just be \$5.

COMMISSIONER CHU:

No. That reciprocal license is for either -- is for either jurisdictions; other county jurisdictions. That reciprocity is -- we are unable to recognize reciprocity. But let's understand what a reciprocal license is. A reciprocal license is when someone has been licensed by another jurisdiction and we accept that as meeting the standards of -- for licensure in our -- by us in our agency and we grant them a license based upon the fact that they've been licensed somewhere else. But the jurisdictions, the local municipalities and jurisdictions don't meet the requirements that our license needs to meet to get the inter-jurisdictional travel.

LEG. LINDSAY:

You might have to get a deeper look into it because in Nassau if you're licensed in the Town of North Hempstead or the Town of Hempstead, they have a reciprocal deal --

COMMISSIONER CHU:

They do, and I'm not -- I'm not -- I'm not discounting the possibility, but that's also a different scenario because those -- they meet requirements. You know, it is a reciprocal license in essence. So, no, I'm not discounting it, but this is something that's going to have to be, you know -- again, we have no authority to make any of those local jurisdictions, you know, implement any regulation as a requirement of that license.

CHAIRMAN CALARCO:

I think what you're saying, Commissioner, is that say if the Village of Lindenhurst in their licensing process requires those taxi providers to meet the exact same standards that we do, then we can enter into some sort of MOU with Lindenhurst to allow those to be our reciprocal type of license.

COMMISSIONER CHU:

That's correct. But right now there are only two that even come close.

CHAIRMAN CALARCO:

But if they don't meet the same standards that we have, we can't give them reciprocity for their license to be valid in other parts of the County.

COMMISSIONER CHU:

Because that would undermine our -- that would undermine our license and the value that comes with it.

CHAIRMAN CALARCO:

Sure. Because then everybody will just go to Lindenhurst to get a license.

COMMISSIONER CHU:

Right.

CHAIRMAN CALARCO:

Okay. Thank you very much. I appreciate it. Are there any other questions for Commissioner Chu? Seeing none, we're going to get right into the agenda. Commissioner, thank you very much for being here and I apologize for the long wait this morning.

COMMISSIONER CHU:

No worries.

CHAIRMAN CALARCO:

But we do appreciate all your attention to this and giving us some of your time today.

COMMISSIONER CHU:

Great. And I'll see you in a couple of weeks to discuss this in greater detail, I'm sure.

CHAIRMAN CALARCO:

Absolutely. Thank you very much.

TABLED RESOLUTIONS

Okay, we're going to get -- move right into the agenda here. Okay, we're going to go right to Tabled Resolutions.

IR 1047, Adopting Local Law No. -2014, A Local Law to regulate pet dealers and pet stores in the County of Suffolk. (Schneiderman) (LOT 2/11). My understanding this has got to be tabled for a Public Hearing. Legislator Schneiderman makes that motion. I'll second it. All those in favor? Opposed? Abstentions? **IR 1047 is tabled. (VOTE: 6-0-0-0)**

D.P.O. SCHNEIDERMAN:

If I could direct everybody's attention, this bill has been amended. If it continues, there'll be one more amendment filed probably sometime today so -- I've been meeting with various pet stores and pet breeders and animal advocates. And we've had some large meetings. And we've tried to arrive at a consensus that everybody can live with. And it looks like we're getting there. So I'm pleased to say that. And check out the most recent version of that bill when you get a chance.

LEG. CILMI:

Legislator Schneiderman, is it your intention to keep the Public Hearing open after Tuesday's meeting or to close it at that point, do you know?

D.P.O. SCHNEIDERMAN:

Let's see how the meeting goes. If everybody's at a point where, you know, there's broad consensus about the bill, then I probably would close it.

CHAIRMAN CALARCO:

Okay. We had a motion that's been approved on 1047. It's been tabled.

INTRODUCTORY RESOLUTIONS

Moving into Introductory Resolutions -- I called the vote. Yes, I did. Introductory Resolutions. We already did 1298.

IR 1300, Adopting Local Law No. -2014, A Local Law to eliminate automatic pay increases for County Elected Officials. (Lindsay) This needs to be tabled for a Public Hearing. Legislator Lindsay makes that motion. I second it. All those in favor? Opposed? Abstentions? **IR 1300 is tabled. (VOTE: 6-0-0-0)**

IR 1314, Adopting Local Law No. -2014, A Local Law to require consumer notification for disparate gasoline pricing. (Schneiderman) This also needs to be tabled for a Public Hearing. Legislator Schneiderman makes that motion; I second it. All those in favor? Opposed? Abstentions? **IR 1314 is tabled. (VOTE: 6-0-0-0)**

I have no other resolutions before me --

4/23/14 Gov Ops, et al Committee meeting

D.P.O. SCHNEIDERMAN:

Quickly on that, that also has been amended from its original version, too. So, Legislators may want to take a look at the changes on that.

CHAIRMAN CALARCO:

Okay. Thank you very much, Legislator Schneiderman.

If we have no other items before us, I will make a motion to adjourn. Second. We are adjourned. Thank you.

**THE MEETING CONCLUDED AT 12:17 PM
{ } DENOTES SPELLED PHONETICALLY**