

LABOR, WORKFORCE AND AFFORDABLE HOUSING COMMITTEE

OF THE

SUFFOLK COUNTY LEGISLATURE

Minutes

A regular meeting of the Labor, Workforce and Affordable Housing Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on Thursday, July 30, 2009 at 1:00 P.M.

MEMBERS PRESENT:

Leg. Lynne C. Nowick, Chairperson
Leg. Kate M. Browning, Vice Chair
Leg. Thomas F. Barraga
Leg. Jack Eddington
Leg. DuWayne Gregory

ALSO IN ATTENDANCE:

George Nolan, Counsel to the Legislature
Sarah Simpson, Assistant Counsel
Barbara LoMoriello, Deputy Clerk
Joe Muncey, Budget Review Office
Patrick Skip Heaney, Commissioner of Economic Development
Jill Rosen-Nikoloff, Director of Affordable Housing
Jeff Tempera, Director, Suffolk County Department of Civil Service
Greg Moran, Aide to Legislator Nowick
Maxvel Rose, Aide to Legislator Gregory
Rob Calarco, Aide to Legislator Eddington
Paul Perillie, Aide to Majority Leader
Linda Bay, Aide to Minority Leader
Debra Alloncius, Legislative Rep for AME
Alan Schneider, SC Department of Civil Service/Human Resources
Dennis Brown, County Attorney's Office
All other interested parties

MINUTES TAKEN BY:

Diana Kraus, Court Stenographer

MINUTES TRANSCRIBED BY:

Kim Castiglione, Legislative Secretary

(THE MEETING WAS CALLED TO ORDER AT 1:23 PM)

CHAIRPERSON NOWICK:

I would like to welcome everybody to the Labor, Workforce and Affordable Housing Committee. We'll start with the Pledge to the flag led by Legislator Browning.

Salutation

I apologize that this meeting is starting so late, but as most of you know, there was a Public Safety Committee meeting that went on for hours. We will quickly ask our first speakers, Alan Schneider and Jeff Tempera, will come up to address the committee.

MR. TEMPERA:

Good afternoon. Both Alan and I are here to talk a little bit about the resolution that is before you for the County to adopt a -- opt into a long-term care program -- no cost to the County and a great benefit for the employees. They are able to get the discounts that are offered through the volume of all the State workers and all the other municipalities who are able to opt into this program. So, really, this is a benefit for all of the employees of the County.

If you don't know what a long-term care program is, it basically is insurance that the employees purchase that protects them in the future that if they wind up having to go into a nursing home or some sort of long-term care facility, that it protects their current assets.

Again, there is no cost to the County. It is the employees able to get the benefit of basically the numbers and the discounted program and all we're doing is opting into the State run program.

CHAIRPERSON NOWICK:

Go ahead.

MR. SCHNEIDER:

I just want to add to what Jeff said, that we are one of the few, if not the only County, that hasn't opted into this program. It's been in effect for quite a few years and, again, I just want to stress that on the back of your paychecks it lists all the deductions, all the different codes, and all this will entail is another code on the back of the paycheck that will automatically be deducted for any County employee who wishes to opt into this. The money is sent out and the coverage is instituted.

Now, one of the big benefits of this is that by signing up en masse, County employees, they do not require a pre-employment medical, which is a huge benefit to current employees. And this I believe will be available for not only the employee, but for the spouse of the employee as well. This is something that if the employees had to go out and purchase by themselves the cost for this would be significantly higher than what they are able to obtain through the group rates. So to me it's a win-win situation for everyone.

CHAIRPERSON NOWICK:

Alan, do you have any idea of what it would cost per employee to -- it's not a schedule that slides, it would be per person. So what's the cost?

MR. SCHNEIDER:

It's a cost based on age, so in effect the older you are when you go into it, the higher would be the annual cost. The reason for that if it's somebody who is younger going in, the cost is very minimal, because in effect it would be paid out. This is really to cover one area that is not covered by our EMHP Program, our County health insurance. We have a wonderful health insurance plan, but it does not cover nursing home insurance.

CHAIRPERSON NOWICK:

Do you have the sliding scale with you, a copy of it?

MR. SCHNEIDER:

I do not, but I will get that for you.

CHAIRPERSON NOWICK:

What's the downside?

MR. SCHNEIDER:

There is none. There is none at all.

CHAIRPERSON NOWICK:

Why did we not opt into this sooner, then?

MR. SCHNEIDER:

Well, that's a good question. I can't answer that.

CHAIRPERSON NOWICK:

Okay. I see Legislator Barraga is getting ready to purchase this insurance. I can see him chomping.

LEG. BARRAGA:

Well, Legislator Barraga is a bit ahead of the game on this, because I purchased this insurance when I was 52 years of age. This came about in the State of New York, frankly, because we had a Governor at the time, it was one of the few good things we did, we had a Governor at the time whose father went into a nursing home. He went in as a private pay, and of course Medicare didn't cover. That Governor was extremely upset, and from that came what is known as the New York State Partnership for Long-Term Care.

The window of opportunity at the time for New York State was limited. Our State and four or five others went into it and then the Federal Government kind of shut the program down. But we still have the availability to do it. So at the time it was implemented you had to purchase this New York State Partnership Long-Term Care Insurance directly through an affiliate insurance company that was working with the Health Department. It was a partnership. And the great thing about -- I'm assuming it's the same type of insurance we're talking about now, the partnership?

MR. SCHNEIDER:

It is.

LEG. BARRAGA:

Okay. The great thing about this is that you can have the insurance and your estate is completely protected.

MR. SCHNEIDER:

Right.

LEG. BARRAGA:

So, for example, God forbid, or maybe not so, if I stroke tomorrow and I wind up in a nursing home, for the first three years, depending upon the policy that I have, that daily rate, almost all of it can be paid by the insurance company. At the end of the three years I automatically qualify for Medicaid. So I can be a multimillionaire, everything I've earned over all my life is not touched. Any future revenue beyond the three years would go towards the Medicaid payment.

Even if I were to transfer and live down, for example, but keep my citizenship in New York State, say I am down in Florida and I stroke down there. I can go into a nursing home down there, stay in that nursing home for three years. After the third year I come back to New York State, I have to

come back to the State and maintain my citizenship in this State, my residency in this State, to keep the program. And once you join, at least in my particular case, the rates never went up.

CHAIRPERSON NOWICK:

What are the rates?

LEG. BARRAGA:

Well, you know --

CHAIRPERSON NOWICK:

Do you know?

LEG. BARRAGA:

Yeah, I know in my particular case.

MR. SCHNEIDER:

It's the same thing now. You pay a going in rate based on your age and the extent of the coverage.

LEG. BARRAGA:

The younger you are, the better off you are. For example, when they first came out with this insurance, and I did two newsletters on this and I went out to senior citizen groups to speak to them, and I went to the wrong market. When you are 75 and 80 years of age, that's not the market for this. The market for this insurance is when you are 45, 46, 50 years of age and you have to sell it on the basis of not an expense, it's an investment. It's an investment.

You know, I just think it's foolish not to be part of this. You may never use it, but the reality is, you know, it's a sad tale when I have to speak to people and their parents are going into a nursing home and the Medicare doesn't cover it. They still have resources and everything that they worked for all their lives is not going to go to the siblings, it's going to go to the nursing home at \$400 or \$500 a day. I'm surprised we didn't have it in the County, but, you know, the sooner the better.

In my particular case, and this goes back about 14 years, I was 52, my wife was 50. And the policy was the partnership policy. At that time it covered \$200 a day, but there is a five percent inflation kicker every year. So today it is worth between four and 450. The annual fee for me was \$1200 based on an age of 52, and my wife was 1,000. It's never gone up, so it's not unreasonable. I mean, think of it this way.

Taking a family to Disney World is between three or four thousand in a week. It's just so you can sleep a little bit better at night knowing everything you have earned throughout your life is not going to be taken away because now you're going to spend a long-term period in a nursing home at four or \$500 a day, and that's what they run out here.

MR. TEMPERA:

And there may be the additional benefit, and I'm not sure, but you may be able to pay for it at a pre-tax benefits. We have got the Flexible Benefits Program and I'm not sure about that, but if you can, there is an additional savings on top of that.

LEG. BARRAGA:

And the other thing, which, you know, most people think of nursing homes. Let's say I'm not bad enough to go to a nursing home, but they send me back home, all right. At home care under the policy is usually for six years. I think it's six year coverage.

If you go into a nursing home, for the first three years the insurance company will pay, depending upon what your policy calls for on a daily basis. At the end of the three years you automatically qualify for Medicaid. That's the partnership. Medicaid. Medicaid. All right. Now, unfortunately, when you contact a lot of these insurance companies, you have to be careful of this, they don't want to sell you the partnership, but it's coming through employee deductions anyway, right? But if you

did it independently, you know, they'll say, well, yes, that partnership is there, but we have this policy. And their policy, frankly, just isn't as good as the partnership. The partnership is the best you are going to get in this area.

MR. SCHNEIDER:

And it costs a lot less than going to an outside insurance company.

LEG. BARRAGA:

Absolutely.

MR. TEMPERA:

And there is one company that deals with all of the County workers that's been designated by the State, so there isn't going to be that confusion about other companies trying to come in and switch them over to something else.

CHAIRPERSON NOWICK:

You had me at hello. Okay. Thank you.

MR. TEMPERA:

Thank you.

MR. SCHNEIDER:

Thank you very much.

CHAIRPERSON NOWICK:

Jon Sirkin wanted to address the committee.

MR. KUHEN:

Good afternoon. Actually, we would like to go a little bit out of order. I'm number two, Von Kuhen, and this is Jon Sirkin.

CHAIRMAN NOWICK:

Well, you can go together.

MR. KUHEN:

That's okay? Okay, that's fine. I am Von Kuhen, Senior Vice President with Community Development Corporation of Long Island. CDC is celebrating our 40th year this year of providing housing and economic development services in Long Island. Currently our Homeownership Center serves five to 600 prospective home buyers a year who are trying to buy their first home in the Long Island economy. Certainly this is a very difficult proposition.

We're working with Glesir Development Corporation to provide 16 workforce housing units in Southampton in the Tuckahoe School District, about half a mile from the hamlet's center. The buildings are designed to resemble a traditional farmhouse so it doesn't look like -- like some kind of multi-family housing, but will really blend into the neighborhood. Each unit contains two bedrooms and two bathrooms, and to reduce monthly housing costs they will be Energy Star rated. Sandy Hollow Cove will be 100% workforce housing for a range of income levels ranging from 80% of the median to 120% of the median. And the median in Suffolk County today is just over \$100,000. The range of house prices will be between \$160,000 and \$260,000.

The project will be provided to residents based on a lottery process, which we will conduct in accordance with Town of Southampton Code, with a focus on local professionals, tradespeople, people in the service trades and the emergency services workers. By providing this homeownership opportunity these 16 homeowners will benefit, as well as the Town and Suffolk County as a whole.

And I didn't mention this, this is with respect to resolution 1578. I would like to introduce John

Sirkin to talk a little bit more about the specifics of the project.

MR. SIRKIN:

Good afternoon. Jon Sirkin, Glesir Development. Just to basically follow-up and continue on what Von said, the need for workforce housing throughout the County, and especially in Southamptton, is well documented. This project helps to solve some of the workforce housing problems in a way that is consistent with all four of the goals and recommended actions called for in the Town's 1999 comprehensive plan. Those four goals being increasing the amount of affordable housing, providing workforce housing in all parts of the town, designing the residences in consideration of the Town's historic, architectural and natural qualities, and leveraging private financing to create workforce housing.

In the last page of what I handed out you can -- there's kind of a site plan. The first page is a site plan and the final page is kind of a little area that shows where the site is located. It's located on a 2.6 acre site in the Tuckahoe School District. The land has previously been cleared so it's not as though we're going and clearing, you know, a farm or anything with trees on it. It was previously mined for topsoil actually. The adjoining properties are single family homes. When constructed, the project will have a building lot coverage ratio of only 8.5%. And as I said before, it provides a useful -- it is a purposeful use of vacant and previously disturbed land.

As Von touched on, each unit -- basically it's designed to be four buildings with four units each. And as the Town requested, when you drive by from the street it is supposed to look like two big houses. I'll pass this around. In each building there is four units; two on the downstairs, two on the upstairs. They each have private entrances. The downstairs units can use the basement as storage; the upstairs units have the attic as storage. All have washer/dryers, central air, gas heat. They will all be Energy Star rated. And the first floor units are fully handicap accessible and they make use of all universal design standards.

Access -- this is Sandy Hollow Road here, also County Road 52. Access to the project is right off this road. Parking for 33 cars is provided. And as Von touched on, we are trying to make the project as green as possible. They will all be Energy Star. We have water sense fixtures. We have public water and natural gas and the sewage will be by a chromoglass treatment plant, which is part of the reason we are here today. In order to reduce the cost of operating this chromoglass treatment plant, we are trying to incorporate some solar technology, which will greatly reduce the monthly electrical consumption in operating the chromoglass as well as any parking lot lights and other common area lighting.

And basically, you know, in today's economic environment the key to selling these units is to get them as low as possible, and the median income in Southamptton is actually much lower than it is in the County, so by getting the infrastructure money and some land acquisition money we were able to reduce the selling prices by as much as \$55,000 per unit, which obviously makes a huge difference and allows us to market these to a much wider, diverse segment of people. That's it.

CHAIRPERSON NOWICK:

Thank you. Thank you for your presentation. Okay. Does anybody else want to address the committee? Do you guys have anything? Commissioner, you're good?

COMMISSIONER HEANEY:

If you're good, we're good.

CHAIRPERSON NOWICK:

Okay. We'll go to tabled resolutions.

TABLED RESOLUTIONS

1364 - Amending Chapter 631, Article I of the Suffolk County Code. (Co. Exec.)

LEG. GREGORY:

Motion to table.

CHAIRPERSON NOWICK:

Motion to table by Legislator Gregory, second by Legislator Eddington. All in favor? Opposed? 1364 is tabled. **(Vote: 5-0-0-0)**

1478 - Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Brookhaven for affordable housing purposes. (Co. Exec.)

Motion to approve by Legislator Eddington.

LEG. BROWNING:

I'll second.

CHAIRPERSON NOWICK:

Second by Legislator Browning. All in favor? Opposed? 1478 is approved. **(Vote: 5-0-0-0)**

1479 - Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Brookhaven for affordable housing purposes. (Co. Exec.)

Motion to approve by Legislator Eddington, second by Legislator Browning. All in favor? Opposed? 1479 is approved. **(Vote: 5-0-0-0)**

LEGISLATOR BROWNING:

Can we get -- does the Commissioner have any explanation of what this is? I'm just curious. It's Legislator Cooper's bill about the Land Transfer Program.

CHAIRPERSON NOWICK:

Well, wait a second. We didn't get to that yet.

LEG. BROWNING:

Oh, you're right. I thought we were on that one.

CHAIRPERSON NOWICK:

No, not yet. Now we are going to do that. Okay.

INTRODUCTORY RESOLUTIONS

Introductory Resolution ***1568, Adopting Local No. 2009, A Local Law to strengthen the County's land transfer program for affordable housing. (Cooper)***

I believe that will have to be tabled for public hearing. I'll make a motion to table. Second by Legislator Eddington. All in favor? Opposed? 1568 is tabled for public hearing. **(Vote: 5-0-0-0)**

1578 - Authorizing planning steps for implementation of Suffolk County Workforce Housing Program. (Co. Exec.)

I believe that's what we just heard the presentation on. I will make a motion to approve. Seconded by Legislator Browning. All in favor? All opposed? 1578 is approved. **(Vote: 5-0-0-0)**

1605 - Opting into New York State's Long-Term Insurance Plan. (Co. Exec.)

I'll take a motion from Legislator Barraga. Second by myself. All in favor? Opposed? 1605 is approved. **(Vote: 5-0-0-0)**

Does anybody else have anything for the committee? Anybody want to address the committee? If not, I will make a motion to adjourn. Second by Legislator Gregory. All in favor? Opposed? This meeting is adjourned.

(THE MEETING CONCLUDED AT 1:42 AM)