

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 August 13, 2009.

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
Ben Zwirn, Deputy County Executive
Patrick Skip Heaney, Commissioner of Economic Development and Workforce Housing
Jill Rosen-Nikoloff, Director of Affordable Housing
Paul Perillie, Aide to Majority Leader
Linda Bay, Aide to Minority Leader
Ed Hennessy, Aide to County Executive
Debra Alloncius, AME Legislative Director
Peter Elkowitz, Long Island Housing Partnership
Mary Reid
Paul Fink
Diana Weir
All other interested parties

MINUTES TAKEN BY:

Diana Flesher, Court Stenographer

THE MEETING WAS CALLED TO ORDER AT 1:07 PM

CHAIRPERSON NOWICK:

Good afternoon. I'll call the meeting of the Labor, Workforce & Affordable Housing Committee to order starting with the salute to the flag led by Legislator Barraga.

SALUTATION

Welcome all of you to the Labor, Workforce and Affordable Housing Committee. I do not see any yellow cards, but I know we have some guests here today. Mr. Elkowitz and I see Diana Weir. Does anybody want to come up to address the Committee?

MR. ELKOWITZ:

I'm Peter Elkowitz. I'm the President and CEO of the Long Island Housing Partnership. I thank you, Madam Chair, and all the members of the Committee for allowing me to speak today about this important affordable housing development in downtown Bay Shore.

Just give a little bit about background information, the Long Island Housing Partnership has much experience working in Bay Shore. We completed the redevelopment of South Wind Village, 78 homeownership and rental units on Smith Avenue. We also worked on ten homes at Sunny Brook Court and we also have built on many scattered sites throughout the hamlet of Bay Shore.

We started planning the development that's in front of you back in 2005 called Cortland Square Condominiums. We established a community committee -- a community committee to select the builder and the design and that's what you see today, is the colors, the design of what the community wanted. We requested grant funds already from New York State and the Town to make these homes affordable. And we currently have about 3800 names on our waiting list for these units.

The members of the development team are here today as well if you have any questions, but we ask today for the support of the Suffolk County Affordable Housing Acquisition Program to make these homes more affordable.

The development consists of 40 affordable homes; twenty of the units will be sold to people earning at or below eighty percent of median income. 20 of the units will be targeted to those earning no more than 120 percent of median income.

The sale prices after subsidy will be between 140,000 and \$260,000. There'll be two and three bedroom units. And the square footage will range between 1200 and 2100 square feet.

If there are any questions, I'd be glad to take them today. But that's just a quick summary about this development.

CHAIRPERSON NOWICK:

Just a quick question. The units are between 140 and 160 after subsidy?

MR. ELKOWITZ:

Right.

CHAIRPERSON NOWICK:

And I don't know how this works on condominiums, what would the property taxes be running?

MR. ELKOWITZ:

The property taxes vary. When we deal with any affordable housing development that has common charges and property tax, that's all included in the calculation. So the only option that we have is obviously to reduce the sale price of that unit by reducing what subsidies go in for the construction of the unit so that makes them affordable. But principal, interest, taxes and insurance are included when we calculate the population that we have to serve.

CHAIRPERSON NOWICK:

So we have no idea what the real property taxes are?

MR. ELKOWITZ:

The property taxes are \$4600. I think they're estimated now, you know, because they are two and three bedrooms so it will range. But on average about \$4600.

CHAIRPERSON NOWICK:

And are these green homes?

MR. ELKOWITZ:

These will be built energy efficient. And there'll be other measures to make sure that we build them green per the town code.

CHAIRPERSON NOWICK:

There's some type of a rating and I'm not sure what it is, and Jill might know better than me. But with the green energy efficient homes, what would this rate on a rating system?

MR. ELKOWITZ:

Right, there's -- there's silver, there's gold, there's platinum ratings.

CHAIRPERSON NOWICK:

What would these be rated and the percentage?

MR. ELKOWITZ:

These are not rated at this time. They're energy efficient homes. They're not rated at this point.

CHAIRPERSON NOWICK:

So they would be energy efficient as far as solar? They would be solar panels?

MR. ELKOWITZ:

No, there's no solar right now. We're looking into other options that are available but it depends on what the cost is. Right now we're looking at policies as well to change on the federal level because it doesn't take into consideration the cost when you go for a mortgage, it raises the cost because we have to put the solar panels on it, etcetera. But it doesn't take into consideration when a person goes for the mortgage what they're actually paying for the utility costs. So it doesn't change the affordability other than go up when we add additional items such as that. So on a national level we're trying to change how the lenders look at the mortgage.

CHAIRPERSON NOWICK:

So there would not be solar. It would be not solar.

MR. ELKOWITZ:

No.

CHAIRPERSON NOWICK:

What -- and this is just for myself because I'm trying to learn.

MR. ELKOWITZ:

Sure.

CHAIRPERSON NOWICK:

What makes it energy efficient?

MR. ELKOWITZ:

The appliances. What we provide as far as the light bulbs in the units, the insulation factor, what we put in the units to make sure that, you know, we don't lose heat and energy out the windows. You know the type of construction that we actually build reduces some of the energy costs as well. But there is no mandate --

CHAIRPERSON NOWICK:

And to heat the houses, is it gas to heat?

MR. ELKOWITZ:

The gas heat -- yes, there is gas in the road and there will be gas.

CHAIRPERSON NOWICK:

So the house is -- the hot water in the house is -- okay.

MR. ELKOWITZ:

Right. And that's where we save. I mean the biggest saving obviously is the light bulbs that are used in the house and the appliances that are used in the house.

CHAIRPERSON NOWICK:

The light bulbs did you say?

MR. ELKOWITZ:

Yeah, the light bulbs.

CHAIRPERSON NOWICK:

So when you say -- you put the light bulbs in?

MR. ELKOWITZ:

What was that?

CHAIRPERSON NOWICK:

Did you say you put the light bulbs in?

MR. ELKOWITZ:

We're going to be putting energy efficient light bulbs in. We're working with LIPA right now on a program.

CHAIRPERSON NOWICK:

So when you sell the house you put light bulbs in; is that what you mean?

MR. ELKOWITZ:

We're going to be. That's one of the considerations that we're doing because the light bulbs, the energy efficient light bulbs are one of the biggest uses of energy in

any house.

CHAIRPERSON NOWICK:

So what are they, in the high hats? Is that where the light bulbs --

MR. ELKOWITZ:

They're in the ceiling, yes.

CHAIRPERSON NOWICK:

Okay. And then I guess when they -- I guess the homeowner then changes them and puts them in. Does anybody have any questions?

LEG. BARRAGA:

Mr. Elkowitz, is there anything on this property now?

MR. ELKOWITZ:

No. This was the -- and you'd be familiar with it. It's the old place where the aquarium was going to be.

LEG. BARRAGA:

Yes, I do. Okay. So I take it you've got full support of the community, the Chamber of Commerce, surrounding neighbors? Everybody's in favor of this?

MR. ELKOWITZ:

Yes. We've reached out to the {BID} down there in Bay Shore. There is a community committee that's been established. They actually designed it. They took a lot of time in looking at the siding, the color of the siding, actually the height of the buildings. So that it's one block off Main Street. It actually is higher and then goes down. There are two buildings the side roads which have garages as well so there's been a lot of time spent on --

LEG. BARRAGA:

Construction is to commence when?

MR. ELKOWITZ:

We have the Attorney General's approval to start marketing it. We hope to start construction in the fall of this year.

LEG. BARRAGA:

And completion is?

MR. ELKOWITZ:

Completion will be by the end of next year if we start on time this year in the fall; we get the foundations in.

LEG. BARRAGA:

Are they all affordable units or just --

MR. ELKOWITZ:

They're all affordable under 120 percent. But out of those 40 units, 20 will be made more affordable to people earning under 80 percent of median income.

LEG. BARRAGA:

Okay. Thank you.

CHAIRPERSON NOWICK:

Anybody else have any other question?

MR. ELKOWITZ:

Thank you.

LEG. BROWNING:

I just want to say thank you, Peter, because I know a lot of the foreclosures in my district, you guys have been doing a phenomenal job. And I want to say thank you to the Long Island Housing Partnership for working with my community to make it a better place to live.

MR. ELKOWITZ:

Thank you very much. I appreciate that.

CHAIRPERSON NOWICK:

Thank you.

Does anybody else want to address the committee? Skip, Jill? Does anybody have anything?

MS. REID:

My name is Mary Reid. I'm at 1583 Third Avenue in Bay Shore. I'm happy to say that I've been a part of this sub-committee of this project from the beginning. I've served on the committee with Donna {Peraconi} from Bay Shore; with Micky Thomson, who lives down in an area of Bay Shore, myself and with Mr. Fink. We've all had an intricate part of this. And I think it's a wonderful project especially as they're trying to upgrade that area, you know, the Park Avenue and those areas. So I think -- and I'm in support of it and I'm glad to here that you're in support of it, too. Thank you again. Good afternoon, Mr. Barraga.

CHAIRPERSON NOWICK:

Thank you. Would anybody else like to address the committee?

MR. FINK:

Good afternoon, Committee members. My name is Paul Fink. I'm the Executive Director of the Town of Islip Community Development Agency. The proposed project is a partnership between the Town of Islip and the Long Island Housing Partnership. We have quite a bit invested in it in terms of this agency assembling the land and making sure it's available for the project as well as other subsidies coming from town and federal funds into the project. We think it's a very good example of Smart Growth because of its location, close to the downtown and close to transportation. And I'll be happy to answer any questions you may have.

CHAIRPERSON NOWICK:

Does the Committee have any questions? Thank you.

Is there anybody else that would like to address the Committee?

MS. WEIR:

Thank you very much. I just wanted to add one thing. Just so you know all the homeowners -- Diana Weir from the Long Island Housing Partnership.

I just wanted to mention that all these homeowners will have mortgage counseling as well. I know this is a difficult time and everybody worries making sure that the right people get into these homes. They will all be mortgaged counseled by our

counselors. And the default rate among people that have gone through education, mortgage education is very, very small; less than 1% even in these times. None of our homeowners really go into foreclosures. So I wanted to mention that as well.

And I also wanted to commend Suffolk County. We work in both counties obviously. And we talked to a lot of people from different parts of the country. And the Suffolk County Program that was developed and that you constantly support we appreciate so much; because nowhere else do we have that much county support to help build either housing and the infrastructure. You have a great team, the Commissioner -- Commissioner Heaney and Jill are always very supportive and work with all the development teams that come to our door and ask for support. So I want to thank you always for the support you give us. Thank you.

CHAIRPERSON NOWICK:

Thank you, Diana. Anybody else? Okay. Skip Heaney or Jill, do you want to address anything on the agenda or just good to go?

COMMISSIONER HEANEY:

We're here certainly. Good morning. Commissioner Patrick Heaney, Suffolk County Economic Development and Workforce Housing. We're here to lend our strong as possible support to this project. It is indeed a classic example of what Smart Growth redevelopment should look like. And this should be looked upon as an opportunity not only to furnish new important housing but to make a contribution to this project towards revitalization of a downtown area. We would hope later to engage the committee in some discussion on IR 1568.

CHAIRPERSON NOWICK:

Thank you. Is there anybody else that would like to address the Committee? If there is not, we will go to the agenda.

TABLED RESOLUTIONS

Table resolution **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 myself. All in favor? Opposed?
1364 is tabled. (Vote: 5-0)

1568, adopting Local Law No. -2009, A Local Law to strengthen the County's land transfer program for affordable housing. (Cooper)

LEG. BROWNING:

Motion to table.

CHAIRPERSON NOWICK:

Motion to table by Legislator Browning.

LEG. GREGORY:

Second.

CHAIRPERSON NOWICK:

Second by Legislator Gregory.

LEG. BROWNING:

This is the one that the Commissioner was going to speak on, I believe, right? 1568?

COMMISSIONER HEANEY:

Legislator Browning, do you have any particular questions?

LEG. BROWNING:

I know that we had had conversations. And I think some of the questions came up as far as, you know, we do the 72h transfers. We transfer the property to, like say, the Town of Brookhaven. And it's for affordable housing purposes. There was questions about the -- say like the Town of Brookhaven would be -- rather than building a home, it's an undersized lot. They strip the development rights and can sell it to the adjacent homeowner; is that correct? That they can do that?

COMMISSIONER HEANEY:

Well, IR 1568, in fact, as I read it, is a general prohibition on the use of the transfer of development rights absent express authorization from the Suffolk County Legislature to permit that to happen.

We would ask for an additional tabling, it's occurred, so that we have an opportunity to re-think major portions of that proposed law that's been put forward so that we can recast it as -- rather than a prohibition, we'd rather see it come forward as an affirmative action of the Legislature, one that sets out the conditions that might exist; one or more conditions that might exist on a 72h parcel that, in fact, would make it a favorable idea to permit a transfer of development right.

I'll give you a perfect -- several illustrations. It's entirely possible that a 72h parcel that's transferred can meet local zoning, but it can be in what is called an old file map subdivision and actually be landlocked. Well, that's never going to get built upon.

In another illustration, one might find on the south shore an old file map areas in Mastic, Mastic Beach area where a parcel might contain wetlands or be adjacent to wetlands and be so constrained that you're unable to get a proper set back.

A property might also be so irregularly shaped that you could never achieve front, rear or side yard set backs to have a building envelope. That doesn't mean that the property has no value. Each of those properties that I've described, and there are more, have fractional residential development potential.

If we have the ability to bank those partial rights, we can actually work with towns that have hamlet studies or action plans in place or even master planning efforts to redirect that development and make it available for sanitary credit or mixed use development in more appropriate locations. The net result is that we can use a TDR program, the 72h land transfer program to create more, not less affordable housing.

LEG. BROWNING:

You know, I know that Brookhaven is doing a lot. I mean I know how many transfers are going on. And I don't want to hinder us doing what we're doing. You know, we are providing affordable housing. You know, I even had someone -- we talked a couple weeks ago about two 72h's that were transferred over. And they were not a good idea. So I know that we're doing everything. I don't want to tie our hands. I think putting these properties, you know, back on the tax roles,

getting first time homeowners in there is very important. So I know that you're concerned about this legislation and that's why I'm willing to table it.

COMMISSIONER HEANEY:

Thank you.

CHAIRPERSON NOWICK:

We have a motion and a second. Did we take a vote?

MS. LOMORIELLO:

No.

CHAIRPERSON NOWICK:

All in favor? Opposed? Motion to tabled is approved. **(Vote: 5-0)**

INTRODUCTORY RESOLUTIONS

Introductory resolution 1649, accepting and appropriating additional funds for a 100% State Funded Grant for a Summer Youth Employment Program. (Co. Exec.) I'll make a motion, second by Legislator Gregory. Can this go on the consent? Okay. I will make a motion to approve and place on the consent calendar. All in favor? Opposed? **1649 is approved. (Vote: 5-0 and placed on consent calendar)**

1650, accepting and appropriating additional funds for a 100% State Funded Grant for a Displaced Homemaker Program. (Co. Exec.) Same motion, same second. All in favor? Opposed? **1650 is approved. (Vote: 5-0 and placed on consent calendar)**

1682, authorizing planning steps for implementation of Suffolk County Workforce Housing Program. (Co. Exec.) This is the program that we were just listening to. I will make a motion to approve, second by Legislator Gregory. All in favor? Opposed? **1682 is approved. (Vote: 5-0)**

Okay. That's the end of the agenda. Does anybody else want to address the Committee? If not, I will take a motion to adjourn by Legislator Eddington, second by myself. All in favor? Approved? Seconded. It's approved. Good bye.

**THE MEETING CONCLUDED AT 1:25 PM
{ } DENOTES SPELLED PHONETICALLY**