



State Comptroller Thomas P. DiNapoli and Hofstra University

Creating Revenue Through Sustainable Economic Growth

May 19, 2011

The mission of the New York State Comptroller's Local Government Leadership Institute is to inform and challenge elected local government leaders through constructive engagement on regional issues of common concern, while reinforcing key leadership principles throughout each program – leadership skills that can help local officials navigate through today's increasingly difficult fiscal environment.

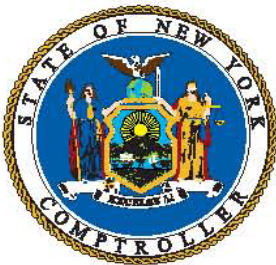


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ABOUT THIS REPORT

The main objective of this report is to provide a synopsis of the panel presentations, discussions, and ideas that were shared at the 2011 Local Government Leadership Institute at Hofstra University.

ABOUT THE LOCAL GOVERNMENT LEADERSHIP INSTITUTE

The New York State Office of the State Comptroller (OSC), Hofstra University's Wilbur F. Breslin Center for Real Estate Studies, and The National Center for Suburban Studies at Hofstra University co-sponsored the third annual Local Government Leadership Institute ("Institute"). The Institute was held on May 19, 2011 at Hofstra University and involved elected and appointed officials from Westchester, Nassau, and Suffolk counties. In total, 135 local officials attended the Institute.

The Honorable Robert J. Duffy, Lieutenant Governor of New York State, who previously served as the Mayor of Rochester, New York, was the Institute's keynote speaker.

The 2011 Institute focused on the following topic areas:

- Government leaders, civic associations, and developers partnering for economic growth; and
- Identifying resources: learning how to access grant funds for your municipality.

The Institute's key objectives included:

- Enhancing participants' knowledge, leadership, and decision-making skills;
- Fostering networking opportunities for officials across various classes of local government;
- Increasing dialogue and regional collaboration on common concerns; and
- Addressing complex challenges through best practices and lessons learned.

For more information about the Local Government Leadership Institute, please contact:

The Office of the State Comptroller

Local Official Training Unit

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Local Official Training Website: <http://www.osc.state.ny.us/localgov/training/index.htm>

Institute Website: <http://www.osc.state.ny.us/localgov/lgli/index.htm>

“The mission of the New York State Comptroller’s Local Government Leadership Institute is to inform and challenge elected local government leaders through constructive engagement on regional issues of common concern, while reinforcing key leadership principles throughout each program – leadership skills that can help local officials navigate through today’s increasingly difficult fiscal environment.”

SPONSORS

The Office of the State Comptroller

The Honorable Thomas P. DiNapoli, State Comptroller

Since taking office in February 2007, Thomas P. DiNapoli, the 54th Comptroller of New York State, has transformed the way the Office of the State Comptroller does business. Comptroller DiNapoli has increased oversight of government spending, provided greater openness to the public, and developed new opportunities for New York's entrepreneurs.



Comptroller DiNapoli, as chief fiscal officer of the State, is responsible for managing the State's pension fund, auditing the spending practices of all State agencies and local governments, overseeing the New York State and Local Retirement System (which serves over one million members and retirees), reviewing the New York State and New

York City budgets, approving State contracts, and administering the State's payroll, central accounting system, and the Oil Spill Fund. During his tenure, Comptroller DiNapoli has instituted tough new ethics rules at the Office of the State Comptroller. He created the position of Inspector General and appointed a special counsel for ethics. He also issued an executive order restricting the use of agency equipment, banned employees from accepting gifts, and mandated ethics training for every employee.

Division of Local Government and School Accountability

OSC's Division of Local Government and School Accountability provides a variety of services to local governments and school districts to help them improve their operations. These services include: performance audits designed to identify cost savings and improve fiscal operations; program audits to determine whether significant laws and regulations have been complied with, and the extent that desired results or benefits have been achieved; training and technical assistance to local government officials; and publications to assist local officials with their fiscal responsibilities.

Goals of the Division

One goal of the Division of Local Government and School Accountability involves enabling local governments and school officials to maintain or improve their fiscal health by increasing efficiency and effectiveness, managing costs, improving service delivery, and accounting for and protecting assets. Another goal involves promoting government reform and fostering good governance in communities by providing local governments and school officials with up-to-date information and expert technical assistance.

Local Official Training Unit

The goal of the Local Official Training Unit is to support the Division's mission by providing high quality training to local officials throughout the State. Such training is provided through a number of methods, including the Local Government Leadership Institute, seminars, workshops, accounting schools, webinars, and online training. In providing these services, the Training Unit collaborates with various associations and State agencies to ensure that local officials receive up-to-date information in order to perform their duties. The Unit provides training through the development and use of core curricula and standards for presentation materials. In addition, the Training Unit conducts assessments of all training that is offered and assists with the logistics in planning training events when necessary.

The National Center for Suburban Studies at Hofstra University®

Lawrence C. Levy, Executive Dean

The National Center for Suburban Studies is a non-partisan research institution dedicated to promoting an objective and academically rigorous study of suburbia's problems. Rooted in the laboratory of Long Island's diverse and aging suburbs, the National Center studies a broad range of issues from local and national perspectives. The Center accomplishes its mission through conferences, seminars, partnerships with nationally known institutions, research, academic studies, and community projects.

The suburbs have emerged as the nexus of dynamic demographic, social, economic, and environmental change throughout the United States. Identifying, analyzing, and solving the problems of suburbia are essential for the health of the country and central to the National Center's mission.



The Wilbur F. Breslin Center for Real Estate Studies

Richard V. Guardino, Jr., Esq., Executive Dean



The Wilbur F. Breslin Center for Real Estate Studies at Hofstra University is an interdisciplinary center for the study of real estate that brings together the expertise of Hofstra's Frank G. Zarb School of Business, Hofstra Law School, and the Institute of Real Estate at Hofstra University. The Center

provides real estate professionals, municipal officials, developers, and the public with information, education, and scholarly analysis about the complex issues important to the real estate field.

At a time when issues such as development, land use, and government regulation have become increasingly complicated and contentious, not only on Long Island but nationwide, the Breslin Center provides a forum for the real estate industry, government officials, and communities to discuss residential and commercial development, planning and land use, and to devise solutions beneficial to everyone.

The Breslin Center was established in response to the expressed needs of potential students who are seeking a career in the real estate field, as well as many professionals currently working in the real estate industry who want to increase their knowledge and skills. It also responds to the great number of real estate firms constantly seeking to hire highly skilled professionals with in-depth knowledge and training. The Center acts as a venue for meaningful networking where industry leaders, public officials, students, and practitioners can meet, confer, and exchange ideas and information on an ongoing basis. The Center also partners with the Hofstra Career Center on a Real Estate Internship Program for students.

EXECUTIVE SUMMARY

With tight budgets, limited resources, and competing interests, being a local official in today's environment is more challenging than ever. The road to economic recovery during this current fiscal crisis will be difficult. There are no easy solutions that will restore fiscal balance. However, during this time, local leaders can take advantage of the opportunities that this economic crisis presents. Local officials must seek new opportunities, including working collaboratively with one another, to reduce or maintain costs while ensuring service delivery to taxpayers.

The challenge for local governments is to build models of economic growth that will create a sustainable flow of revenue to fortify communities over the long term. To that end, the overarching theme of the Institute at Hofstra was "Creating Revenue Through Sustainable Economic Growth." To do this, local leaders are seeking ways to change how they govern and conduct their operations – often, by working collaboratively with civic associations and developers to meet common goals. Without this spirit of cooperation, it is increasingly difficult for local governments to reach their stated goals.

New developments such as the Ronkonkoma Transit Hub attract and retain young, skilled workers with disposable income. These new developments create dwelling, work, and public recreation opportunities and also allow for a diverse mix of retail, office, and residential spaces for workers, visitors, and residents. They provide a variety of housing options in close proximity to commuter rail stations and airports, while encouraging a pedestrian-friendly environment. These developments promote flexibility in architectural design through form-based coding, where the emphasis is on form and design rather than use and density. Form-based coding allows municipalities to meet community visions not achievable through existing zoning. In addition to form-based coding, market analysis is extremely important for promoting sustainable economic growth, by helping developers understand where opportunities exist for the occupancy of buildings and determining what is appropriate for tenancy inside of those buildings.

One theme expressed during the Institute was that no project is too big if you can combine various sources of funding. Many opportunities exist to create new housing and revitalize commercial areas; ultimately, redevelopment must occur for Long Island to survive. Redevelopment offers a return on investment and creates job opportunities. Another area in which municipalities can increase revenue is through grant funds. Municipalities are eligible for community development block grants to benefit the housing and business communities. Other grants available to the housing and business communities are listed on pages 28-30 of this report. The Appendix also includes additional grants available to municipalities.

WELCOMING REMARKS

Stuart Rabinowitz, President, Hofstra University

Hofstra President Stuart Rabinowitz welcomed everyone to Hofstra and expressed some of his thoughts about the Local Government Leadership Institute including:

- the importance of sharing ideas among local officials;
- the difficulty in being an elected official today; and
- the positive results which have resulted from the partnership between Hofstra and the Office of the State Comptroller.

“Thomas P. DiNapoli is an extraordinary public leader who always puts people’s best interests first; he has impeccable integrity and character and we are very lucky to have him as the State’s Chief Fiscal Officer.”

-Stuart Rabinowitz, President,
Hofstra University

Increasing Tax Revenue Through Economic Development

Mr. Rabinowitz noted that one of the acceptable ways to increase tax revenue is through economic development rather than raising tax rates. He was thrilled that good officials have taken the time to engage in economic development, and indicated the need for Hofstra to be an asset to the community. According to Mr. Rabinowitz, universities should be included in economic development. Long Island higher educational institutions can play a key role by developing ideas to retain bright students. He mentioned that Hofstra has been involved in economic development talks and has forged partnerships, from one part of the Island to another with businesses, in order to develop start-ups, keep high-tech businesses, and attract young people. To move forward, he indicated the need to work together, compromise, and deal with difficult decisions.

OPENING REMARKS

Honorable Thomas P. DiNapoli, State Comptroller

Acknowledgements

State Comptroller Thomas DiNapoli acknowledged Hofstra University for partnering with OSC to plan and host this event and thanked them for their assistance. Comptroller DiNapoli also acknowledged and thanked President Stuart Rabinowitz, Dean Guardino, Mr. Levy, Lieutenant Governor Duffy, the panelists, the local officials, and the OSC staff for making time to attend the conference in spite of their busy schedules.

The Comptroller's Role

Since becoming State Comptroller, Comptroller DiNapoli has worked hard to strengthen OSC's partnership with local governments. In addition to the Leadership Institute, OSC is assisting local governments through its extensive local official training program, through audits, research reports, technical assistance, and through the *Open Book New York* and *Your Money New York* websites, which provide access to information on State government spending and useful resources on money-related matters. OSC recently launched a new section focused on local government on the *Your Money New York* website that, among other things, will include information on how local governments can empower residents through financial education as well as provide tools to enable local officials to carry out their financial responsibilities.

Comptroller DiNapoli explained that OSC created the first Local Government Leadership Institute two years ago to help local officials do their jobs more effectively by providing a unique venue to exchange ideas and experiences with their colleagues. OSC recognized that most local government training is based on government jurisdiction and function (e.g., mayors training with other mayors and school district officials with other school district officials). Many of the most innovative and effective approaches being employed by local officials are not being shared with a sufficiently large audience. The fact is, a good idea in one town could save taxpayers money in another county. Gathering local officials together from different classes of government is an opportunity to raise awareness and understanding about common issues, elicit practical ideas and advice, and increase dialogue and collaboration across governmental boundaries.

The challenge for local government, as Comptroller DiNapoli views it, is to build models of economic growth that will create a sustainable flow of revenue to fortify communities over the long term. To that end, the Institute's panels will focus on economic growth initiatives and available grants. It is at the local government level where many of the best ideas and innovations emerge.

Snapshot of New York's Economy from 2009 – Present

As Comptroller DiNapoli recalls, in June 2009 when the Institute was created, the State and nation were in the middle of the Great Recession which stripped away hundreds of thousands of jobs and tens of billions of dollars in revenue, amplifying many of the challenges with which local governments wrestle. Comptroller DiNapoli stated that, while we are not out of the woods yet, we are slowly recovering. In April 2011, OSC released its latest Economic Trends Report, which shows markers of a slow but sure economic recovery across New York. Here is where the New York State economy stands:

- Gross State Product was up 2.2% in 2010 after two years of decline.
- County tax collections were up 4.7% in 2010, a significant improvement from the 5.9% drop in 2009.
- State personal income increased by 4.1%, placing our State second only to New Mexico in income growth.
- After a 4.4% decrease in 2009, economic output increased in every metropolitan area in the State in 2010, including Long Island, which grew at a slightly lower rate than most other metropolitan areas at 1.1%.
- Since December 2009, the State's private sector added 122,700 jobs. However, after subtracting 28,200 State and local government jobs that were lost during that period, the net gain in jobs was 95,400. That still represents only 28% of the 336,700 jobs New York lost between April 2008 and December 2009.
- From March 2010 to March 2011, 10,300 private sector jobs were added in Nassau and Suffolk counties.
- The unemployment rate is decreasing but remains stubbornly high. As of March 2011, State unemployment stood at 8.0%, New York City at 8.4%, and Nassau/Suffolk at 7.1%.
- Upstate metropolitan housing markets rebounded strongly in 2010 but downstate, in Westchester, New York City, and Long Island, home values dipped again in 2010 after a six-month increase at the end of 2009.

New York State's Budget Deficit

This year, Albany was challenged with closing a \$10 billion dollar deficit. To their credit, the Governor and Legislature managed to close that gap and align spending and revenue without relying heavily on gimmicks, fees, or one-time revenues. Closing the budget gap resulted in cuts and pain for communities across the State. Health care (\$2.3 billion in Medicaid cuts) and education (\$1.3 billion in school aid cuts) were particularly hard hit. The enacted 2011-12 budget is a strong first step towards addressing the long-term structural imbalance in the State's finances. Now, local governments need to take the next step. Comptroller DiNapoli renewed his call for real, structural, statutory budget reform to ensure sustained progress that would increase transparency in the budget process and force the State to plan for the long term.

Property Tax Cap Proposal and Mandate Relief

Against the backdrop of school districts and localities struggling to find balance between revenue and spending at a time of growing needs, the Governor proposed a property tax cap. While Comptroller DiNapoli supports a property tax cap, he sees the concept as a two-way street. If local officials have to live within strict property tax constraints, the State must help them deal with rising costs at the local level by providing mandate relief. The Governor's Mandate Relief Team made its preliminary recommendations on March 1st. This was characterized as the "first step" in an evaluation process that will continue over the coming year. However, the team needs to move to the "second" and "third" steps quickly, specifically by shifting from generalities to specifics to provide the necessary relief.

Long Island's Challenges and Opportunities

Long Island's school districts were facing heavy financial pressures even before the latest round of State cuts. In March 2011, OSC released a report on the "fiscal stresses" faced by New York State's school districts. The report focused on 22 stress indicators. It came as no surprise that school districts in Long Island showed higher stress than the statewide average on 16 of the stress indicators, the most significant being declining property values. Recently, 119 out of 125 (95%) of Long Island's school districts budgets passed -- an impressive result that can be credited to many factors, including:

- First, the delicate and difficult balance achieved between modest tax and spending increases and hard choices about staffing and programs;
- Second, teachers and other school staff stepped up to the table to be part of the solution in many districts, agreeing to freeze pay raises to help save jobs; and
- Third, residents across Long Island recognized the significant financial stresses faced by school districts and the difficult choices that had to be made.

Comptroller DiNapoli knows it was an arduous process, but the results speak volumes about the quality of the work completed by Superintendents and School Board members during these challenging times. Across the Island, school districts will increase spending by over 2 percent, while raising taxes by almost 4 percent.

With tight budgets, limited resources, and competing interests, being a local official in Long Island is more challenging than ever. While Long Island faces unique challenges, it is also uniquely positioned to meet those challenges. First and foremost, Long Island has quality schools, great universities like Hofstra, great civic associations, a diverse economy, and a beautiful environment which make it a great place to live, work, and raise families. Comptroller DiNapoli stated that by sharing information, listening, learning, and building on what works, New York can come out of this difficult economic period stronger and better than before.

**PLENARY SESSION: GOVERNMENT LEADERS, CIVIC ASSOCIATIONS,
AND DEVELOPERS PARTNERING FOR ECONOMIC GROWTH**

The challenge for local governments is to build models of economic growth that will create a sustainable flow of revenue to fortify communities over the long term. To accomplish this, local government leaders are seeking ways to change how they govern and conduct their operations – often, by working collaboratively with civic associations and developers to meet common goals. Without this spirit of cooperation, it is increasingly difficult for local governments to reach their stated goals.

The panelists addressed an audience that included elected officials, developers, and civic leaders, and offered some words of advice on developing larger construction projects based on the Town of Hempstead’s experience with the Courtesy Hotel, emphasizing perseverance, thinking outside the box, and maintaining trust and mutual respect.

Supervisor Murray appeared on the morning panel with Brookhaven Town Supervisor Mark Lesko, Mill Creek Residential Trust Vice President Maria Rigopoulos, West Hempstead Civic Association President Rosalie Norton, Kelly Development Group President Michael Kelly, and Lake Ronkonkoma Civic Association President George Schramm. The discussion was moderated by Andrew A. SanFilippo, Executive Deputy Comptroller for the Office of State and Local Government Accountability in the New York State Office of the State Comptroller.

Honorable Kate Murray, Supervisor, Town of Hempstead

Kate Murray is the Supervisor of the Town of Hempstead, New York. She was the first woman to be elected Supervisor since the position was created in 1918. On February 3, 1998, Kate Murray was elected to the New York State Assembly. She represented the 19th Assembly District until 2001. She then served as Clerk for the Town of Hempstead and was appointed Supervisor by the Hempstead Town Board in 2003. She won election to the position of Supervisor in the fall of 2003 and was re-elected in 2005 with over 60 percent of the vote.

Prior to serving as an elected official, Ms. Murray worked as an Assistant Attorney General in the Criminal Justice Section handling prisoner litigation. She served as advocate for Suffolk University Battered Women's Advocacy Project and represented victims of domestic violence.

Redevelopment of the Courtesy Hotel in Long Island, New York

Supervisor Murray recounted the story behind the redevelopment of the Courtesy property, which was facilitated as a result of the Town Board's creation of a transit-oriented zone, a prime example of cooperation between elected officials and the community to reach a common goal. In 2004, the Hempstead Town Board addressed the concerns of the West Hempstead community and tried to use its Nuisance Law to get rid of the Courtesy Hotel, but the court rejected this plan. In 2005, the West Hempstead community created an Urban Renewal Plan and considered acquiring the Courtesy property through eminent domain. In 2006 and 2007, the Town requested proposals for redevelopment from prospective developers and in 2008, the West Hempstead community worked to create a transit-oriented development zone.

On May 12, 2011, the Courtesy Hotel was demolished. This project spelled the end of a site known for frequent police activity and criminal arrests. It was a culmination of years of work that brought about the end of a "reign of terror." After the Courtesy Hotel's demolition, a victory party was held. The site will be replaced with a beautiful residential development that will help retain young professionals in the area. This type of zone can be replicated in Long Island, allowing greater development density for housing projects that encourage mass transit usage.

Long Island's First Transit-Oriented Building Zone

Currently, the West Hempstead community eagerly awaits the opening of a splendid development that includes 150 "train-commuter-friendly" apartments adjacent to the West Hempstead Long Island Rail Road Station. The apartments will be the centerpiece of Mill Creek Residential Trust's enhancement of the 3-acre property into a residential development that is rich in amenities and luxury features.

Kate Murray indicated that a cooperative partnership was forged between the community, the Town Board, and Mill Creek Residential Trust, a progressive developer. The

attractive development will add needed rental housing for young people who commute to New York City and assist the Town in keeping young people in Long Island. It will also address environmental concerns by reducing the number of cars on the roadways while also being a clean energy, LEED-certified building.

Supervisor Murray was thankful for everyone's work on this project, including Rosalie Gordon, President of the West Hempstead Civic Association, and Mill Creek Residential. The end product will be the culmination of hard work, perseverance and cooperation among the Town, the West Hempstead community, and Mill Creek Residential.

Maria Rigopoulos, Vice President of Development, Northeast Division, Mill Creek Residential Trust, LLC

Maria Rigopoulos is the Vice President of Development in the Northeast for Mill Creek Residential Trust. Mill Creek Residential invests in multifamily real estate development, construction, and acquisitions throughout the United States. The organization draws on an average of 28 years of industry experience among its senior management team, which is entirely composed of former Trammell Crow Residential veterans. Prior to her position with Mill Creek Residential, Maria was a development associate for Trammell Crow Residential (TCR), responsible for development operations in Long Island. Trammell Crow Residential is a national real estate company and one of the largest builders and developers of multifamily housing in the United States. In 2006, *Builder Magazine* ranked TCR as the number 1 multifamily rental builder in the nation.

Development of Upscale, Transit-Oriented 150-Unit Rental Apartment Community

Maria Rigopoulos discussed the former Courtesy Hotel site and indicated that it is now a perfect transit-oriented location. She mentioned that young adults were looking for convenient access to mass transit. The site is located adjacent to the West Hempstead Long Island Rail Road Station.

The development will be a 190,000 square foot building with four stories over two levels of structured parking. Ms. Rigopoulos indicated that it is a beautiful and attractive rental living facility. It will contain 150 new housing units with the following amenities:

- professional on-site management and leasing,
- 24-hour maintenance,
- landscaped courtyard,
- resort-style swimming pool with sundeck,
- 24-hour fitness center and locker-rooms,
- clubhouse with cyber café, lounge, and game area,
- Internet lounge with copy services,
- movie screening with theatre room,
- luxurious lobbies,
- elevator service and air-conditioned hallways,
- resident and visitor garage parking,
- concierge and coffee services,
- resident functions, and
- wireless Internet.

Other upscale amenities include:

- gourmet kitchens with island breakfast bars,
- 42-inch cabinetry,
- granite countertops,
- stainless steel energy-efficient appliances,
- gas cooking,

- airy layouts with 9-foot ceilings,
- vaulted ceilings in select units,
- walk-in closets,
- full size washer and dryers, and
- wall-to-wall carpeting.

The new development will accommodate 150 new households with disposable income, provide housing for Long Island's younger workforce, and revitalize the area.

Rosalie Norton, President, West Hempstead Civic Association

Rosalie Norton is currently the President of the West Hempstead Civic Association and a member of many community organizations in West Hempstead. She has devoted much of her time to helping shape the education of children in West Hempstead through her extensive work as School Board Trustee, Library Trustee, and a leader in the PTA, -- not only in West Hempstead, but in Nassau County and throughout the State. For her continued service within her community, Ms. Norton has earned the respect and admiration of many individuals and organizations.

She has been honored with many awards for her hard work, including: the Make a Difference Award from the Town of Hempstead, the Life Time Achievement Award from the West Hempstead School Board, Assemblyman Tom Alfano's Woman of Distinction, the West Hempstead Lion's Robert Uplinger Distinguished Service Award, the Herald Newspaper's West Hempstead Person of the Year, the Cathedral Gardens Civic Association Neighbor of the Year, Vision Long Island's Smart Growth Award for Community Leadership, the American Legion Cathedral Post # 1087's Community Service Award, Senator Skelos's Women of Distinction, West Hempstead's Chamber of Commerce Person of the Year Award, and finally, West Hempstead's Rotary Club Service Above Self Award.

Acknowledgements

Rosalie Norton thanked Hofstra University and Comptroller DiNapoli's Office and indicated that she is honored to be in attendance. She commended Supervisor Murray for her willingness to attend numerous conversations and meetings with the Association.

Ms. Norton emphasized that developers must understand they have to work with the municipality when they develop a new concept, and she commended Mill Creek Residential for their efforts. The Town of Hempstead had the respect of Mill Creek Residential and the community trusted the developer.

West Hempstead Civic Association

Ms. Norton provided some background on the West Hempstead Civic Association, which was organized in 1995. She indicated how important it is to build trust and rapport with elected officials within the Town of Hempstead. The Civic Association consists of approximately 1,000 households and businesses; they have a website and put out a newsletter that is mailed to approximately 8,600 households three times a year. They also hold various social and cultural activities throughout the year.

The Civic Association felt it was important to have the community and various organizations meet to discuss Mill Creek Residential's proposals. To dispel rumors regarding developers, Ms. Norton collected and researched as much information as possible about the developer and shared the information with the community. She

understood the importance of a train and bus line in the area, as well as housing for young professionals and seniors who cannot drive.

Honorable Mark Lesko, Supervisor, Town of Brookhaven

Mark J. Lesko is the Supervisor of the Town of Brookhaven, New York. Supervisor Lesko has applied fiscally conservative principles to Town government. He froze property taxes in his 2010 and 2011 budgets, and cut spending in the General Fund by 26 percent. He supported a property tax cap, a spending cap, and a debt management cap for Brookhaven, and voters overwhelmingly approved his measures. At the end of 2010 and in March 2011, Wall Street rating agencies affirmed Brookhaven's high bond ratings due to Supervisor Lesko's proactive management of the Town's fiscal challenges.

Supervisor Lesko has focused on economic development and helped spearhead "Accelerate Long Island," an initiative to connect research at Long Island's major universities and research institutions with entrepreneurs to create start-up companies in Long Island. In addition, Supervisor Lesko focused on redeveloping blighted areas of the suburbs and redirected development away from virgin land through a program called "Blight to Light."

Ronkonkoma Hub Transit-Oriented Development

Supervisor Lesko talked about the Ronkonkoma Hub (also referred as the Ronkonkoma train station), which opened in 1883 as the Lakeland Depot. In 1997, the MTA spent over \$20 million to renovate the station. The Ronkonkoma train station is the busiest railroad station in Long Island, with more than 14,000 riders a day. It borders the MacArthur Airport, which makes it a premier location. The Brookhaven hub, or the northern portion of the Ronkonkoma hub, is approximately 50 acres.

The goals of the Ronkonkoma Hub Transit-Oriented Development include:

- creating a "live, work, and play" destination with a diverse mix of retail, office, residential, and entertainment uses for workers, visitors, and residents,
- promoting a compact, mixed-use development in close proximity to the commuter rail station and commercial airport,
- encouraging a pedestrian-friendly environment,
- promoting a variety of housing options,
- promoting flexibility in site and architectural design through form-based coding,
- attracting and retaining young, skilled workers, and
- creating public recreation opportunities.

Mark Lesko talked about the planning process for the Ronkokoma Hub. Highlights include:

- The Ronkonkoma Hub Transit-Oriented Development Land Use and Implementation Plan started in 2007.
- Seven community meetings were held over the past two years, and regular meetings were held with the property owners so community and property owners were represented on the design team.

- The Town did not feel comfortable with what the market would bear, so they gave the developers a blank canvas and issued a Request for Expressions of Interest in March 2011 to be returned by June 30, 2011; 50 companies expressed interest in this project.
- The Request for Proposals will seek a master developer.
- Form-based zoning will be implemented.
- Community and property owners were represented on the design team for the Request for Proposals.

Form-Based Coding

Brookhaven was the first municipality in Long Island to draft a form-based code.

- The emphasis is on form and design, rather than use and density. This places a strong focus on the aesthetics of the project.
- The focus is also on the public realm – addressing street types, street blocks, streetscapes, open spaces, parking areas, etc.
- Form-based coding encourages flexibility in use, site, and architectural design.
- Form-based coding allows for community visions to be realized which are not achievable through existing zoning.

Blight to Light Initiative

- The “Blight to Light” Initiative focused on redeveloping blighted properties in the Town of Brookhaven as opposed to creating new developments on pristine farmlands.
- Last year, the Town Board adopted incentives for the private sector to redevelop blighted properties.
- The Town identified its “Monuments to Blight” through a Blight Study.

The Carmans River Watershed Protection Plan

This new initiative:

- Introduced a new model of land preservation and management.
- Provided incentives for a productive and expedited partnership between environmentalists and builders that achieved a consensus on how to protect the 10-mile long Carmans River. Environmentalists and community representatives got together for 100 days to develop a plan to protect the Carmans River, and now they are working on the legislative process.
- Encouraged developers to listen to municipalities like the towns, the villages, and the community.
- Included State Legislation to add sensitive land to the Pine Barrens Core and create new Pine Barrens Credits.

Michael Kelly, President, Kelly Development Group

Michael Kelly, Esq., is the President of Kelly Development Group, which specializes in the development of small subdivisions and focuses on the redevelopment of blighted sites throughout Long Island. Prior to forming his own businesses, Mr. Kelly was the Vice President of Land Acquisitions for Pulte Homes of Long Island from 2003 - 2008.

He also worked for the Prudential Home Mortgage Company, Chase Manhattan Bank, and the Law Firm of Meyer, Meyer, and Keneally in Smithtown. Mr. Kelly has over 20 years of diversified real estate experience. He is Brookhaven's representative on the Suffolk County Planning Board and a member of the Business Improvement District for the Village of Patchogue. He is involved with a number of issues including the Blight to Light and Carmans River Initiatives.

Acknowledgements

Michael Kelly thanked Richard Guardino, Lawrence Levy, the Comptroller, Hofstra University, and congratulated the other members of the panel.

Background of the Ronkonkoma Hub Transit-Oriented Development

Mr. Kelly mentioned his experience with the revitalization project. He has worked in the Village of Patchogue and the Town of Brookhaven. In 2003, he met with the Mayor of the Village of Patchogue and discussed the redevelopment of a city block. The city block was rezoned to rectify blight and create 80 new town homes. Of those town homes, 40 were designed for work-force housing.

When Mr. Kelly first arrived at the Village in 2003, there was plenty of parking and ample sewer capacity, but over the past eight years, over 600 new residential homes were approved or built. The Village is currently conducting a parking study to find a resolution to the parking problem. The sewer and parking capacity that was once ample has dwindled.

The Village recently held a ribbon-cutting ceremony for the expansion of the sewage treatment plan, from 500,000 to 800,000 gallons per day in Suffolk County. Mr. Kelly indicated how challenging it was for the redevelopment of the Ronkonkoma Hub in the absence of a sewer there. In order to effectuate the redevelopment plan, someone needed to develop a sewer plan. Mark Lesko, Paul Pontieri, and George Schramm took primary responsibility for this task.

Michael Kelly indicated there are many opportunities to create housing, revitalize commercial spaces, and continue redevelopment. They all must occur for the Island to survive.

George Schramm, President, Lake Ronkonkoma Civic Association

George Schramm is the President of the Lake Ronkonkoma Civic Association and serves as a member of the Steering Committee for the Brookhaven 2030 Comprehensive Plan. He has worked with the Town of Brookhaven on the Portion Road Corridor Land Use Plan and the Ronkonkoma Hub Transit-Oriented Planning Study.

George Schramm thanked everyone and indicated it is an honor to attend the Institute.

Lake Ronkonkoma Civic Association's Involvement with Ronkonkoma Station's Redevelopment

George Schramm indicated that the Civic Association attempted to create a strategic initiative by building a consensus for redevelopment. There was an ongoing collaboration between the Civic Association, the Town, and various stakeholders to pursue a shared understanding and commitment for economic growth.

Mr. Schramm provided a background on the Ronkonkoma station redevelopment, which started in 2006. Across from the railroad, there was a vacant lot and a proposal came from the Town Board to rezone it. The Civic Association arranged a meeting with the Supervisor to see how the area around the railroad station could be improved. Over time, more stakeholders became involved and they worked on developing a shared understanding. The stakeholders had ongoing meetings with the Town Supervisor and introduced a shared goal -- the improvement of the area around the railroad station for single family homes. The community was given four possible scenarios, one of which was to do nothing, -- the other three were various versions of development. The community was then provided with the opportunity to choose the best scenario and no one picked the option of doing nothing. Therefore, the Civic Association knew the community wanted the development.

Market Analysis

Market analysis is extremely important for promoting sustainable economic growth; it helps developers understand where opportunities exist for the occupancy of buildings and determine what is appropriate for tenancy inside those buildings. In this situation, the market analysis revealed there were too many pharmacies and not enough cultural amenities such as restaurants, book stores, etc. Market analysis, combined with form-based coding, is a powerful tool for achieving economic growth.

Additional Comments

Michael Kelly indicated that transit hubs are the new model for Long Island. In Ronkonkoma, store fronts, businesses, and restaurants are on the first floor of many buildings and offices are located on the floors above. As you get further away from the downtown area, more residential units emerge.

George Schramm indicated that the community is very supportive of form-based coding for mixed-use development. If you produce a main street area that looks appropriate, you can incorporate many mixed-use buildings. Form-based coding provides planning commissioners the flexibility to entertain many development ideas.

INTRODUCTION OF THE KEYNOTE SPEAKER

Comptroller DiNapoli introduced Lieutenant Governor Robert Duffy as the Institute's keynote speaker. Mr. Duffy was chosen by Andrew Cuomo to be the Lieutenant Governor and elected in November of 2010. Prior to that, he served as the Mayor of the City of Rochester since January of 2006. During Comptroller DiNapoli's many visits to Rochester, Mayor Duffy's office was always a hub of activity and committed to bettering the neighborhoods of his City. He was very interested in streamlining government functions and consolidating where appropriate, and understood the fiscal challenges facing his City.

Robert Duffy's accomplishments as Mayor include merging three departments into a very efficient and effective Department of Neighborhood and Business Development, fostering government accountability and transparency through the creation of an Office of Public Integrity, adopting the 311 Call Center giving citizens immediate access to city services, and investing in public safety to bring Rochester's rate of serious crime to its lowest point in 25 years.

Robert Duffy was born and raised in Rochester. He graduated from the Aquinas Institute, Monroe Community College, and the Rochester Institute of Technology. He joined the Rochester Police Department in 1976 and worked nights to earn a Master's Degree from Syracuse University. He became the Deputy Chief of Police in 1992 and Rochester's Chief of Police in 1998. The Lieutenant Governor's Office has become a real focal point for advancing the changes that the Governor is attempting to implement.

KEYNOTE SPEAKER

Honorable Robert J. Duffy, Lieutenant Governor, New York State

Lieutenant Governor Duffy thanked the Comptroller for the invitation and indicated he is honored to attend the Institute.

Streamlining Government

Mr. Duffy mentioned that Governor Cuomo is looking for ways to have government streamlined and become more cost-effective; New York has a large number of governments and special districts. Consolidation and streamlining are not always easy. However, in the City of Rochester, three departments were consolidated. As a result, taxpayers saved \$1.2 million in the first year. Police districts were also consolidated in Rochester, resulting in approximately \$1,000,000 in overtime savings.

New York's Lack of Jobs and High Taxes

Mr. Duffy noted the issue of the lack of jobs in the State. He stated that New York is ranked 50th in the country in terms of business climate. New York is the most heavily taxed state in the Union and people have been forced to leave. Neighboring states lure businesses and jobs out of New York. Therefore, a solution must be identified to control the current situation.

New York's Regional Economic Development Councils

To create strength in the State, keep businesses running, retain companies, and recruit new businesses, Governor Cuomo will be announcing ten regional councils around the State. The Governor and Lieutenant Governor hope these councils will spark a massive transformation process.

New York's Legislative Priorities

The Governor bridged a \$10 million dollar budget gap by working with the Senate and the Assembly. However, three main legislative priorities remain:

1. Pass the tax cap. From 1998 – 2008, property taxes in the State increased by 73%. Every county in the State is in the top 20% of the country in terms of the property tax. We need mandate relief, which will require approval by the Senate and the Assembly.
2. Ethics reform to rebuild trust in government, including disclosure of outside jobs.

3. Marriage equality to provide equal rights to everyone. This is not a religious issue, because churches can refuse to perform ceremonies; it becomes an economic issue because people decide to leave the State.

Mr. Duffy concluded by stating that the issue of economic development is paramount. However, Mr. Duffy believes we will see the State transformed under Governor Cuomo.

PLENARY SESSION: IDENTIFYING RESOURCES – LEARNING HOW TO ACCESS GRANT FUNDS FOR YOUR MUNICIPALITY

Maria Stamoulis, Training Specialist, Office of the State Comptroller

Maria Stamoulis is a Training Specialist in the Office of the State Comptroller. In her capacity as a Training Specialist, Ms. Stamoulis has developed, presented, and coordinated training for local officials. Prior to joining the Comptroller's Office, she has worked at the New York State Senate where she reviewed and analyzed discretionary capital project grants and the New York State Board of Elections where she reviewed and approved over \$18 million in grant applications for the Help America Vote Act (HAVA).

Maria Stamoulis presented 17 grants which included:

Housing and Community Development Grants (\$96 million)

- New York State's Community Development Block Grant (CDBG) has two programs:
 - Annual Competitive Round Program for community development projects that benefit low and moderate income persons in housing; and
 - Open Round Economic Development Program to benefit the business community.
- Affordable Home Ownership Development Program for the new construction of homes for sale, the acquisition or rehabilitation of homes for sale, and improvements to existing owner-occupied homes.
- Home Local Program has four programs:
 - Housing Rehabilitation Program for the moderate rehabilitation of single family homes and investment properties;
 - Homebuyer Assistance Program to assist first-time homebuyers with the closing costs or down payment on their homes;
 - Tenant-Based Rental Assistance Program to assist tenants with their rental payments and security deposit; and
 - Home Ownership Program to assist homeowners with new construction or rehabilitation of vacant, substandard, single family homes.
- The New York Main Street Program has three programs:
 - Building Renovation Program to assist building owners with interior renovations and façade improvements;
 - Downtown Anchors for building owners to expand and improve cultural or business anchors; and
 - Streetscape Enhancements to be used for the planting of trees, signs, trash receptacles, etc.
- Access to Home Local Program to provide residents with better accessibility to and from the exterior of their homes as well as within their units.
- Restore Program to benefit elderly homeowners (over the age of 60) with incomes less than 80% of the median income.

Community Development Grants

- Community Facilities Grants to assist in the development of essential community facilities in rural areas and towns with populations less than 20,000.
- Brownfield Opportunity Areas Program to provide municipalities with assistance to complete revitalizations plans and implementation strategies for communities affected by brownfield sites, and site assessments for strategic sites.

Shared Services Grants (\$79 million)

- Local Government Citizens Re-Organization Empowerment Grant Program for the consolidation or dissolution of local government entities.
- Citizen Empowerment Tax Credit provides additional aid to municipalities equal to 15% of the property taxes of all municipalities involved in a consolidation or dissolution.
- Local Government Efficiency Grant Program for municipalities that demonstrate new opportunities for financial savings and operational efficiencies.
- Local Government Performance and Efficiency Program for municipalities that have undertaken significant actions to improve the overall efficiency of government operations and produced quantifiable financial savings in order to reduce the tax burden on residents.

New York State Education Department Grant

- Local Government Records Management Improvement Fund to improve the records management and archival administration in New York's local governments.

Office of Parks, Recreation, and Historic Preservation Grants (\$12.325 million)

- Heritage Areas Program for projects that preserve, rehabilitate, or restore lands, waters, or structures approved by Parks, Recreation, and Historic Preservation Law.
- Historic Preservation Program used to preserve, rehabilitate, or restore properties on the State or National Register for park, recreation, conservation, or preservation purposes.
- Acquisition Program used for the acquisition of a permanent easement or fee for title to lands, waters, or structures for park, recreation, conservation, or preservation purposes, including parks or historical properties on the State or National Register or identified in a local heritage area management plan.

- Park Development Program used for projects to preserve, rehabilitate, or restore lands, waters, or structures for park, recreation, or conservation purposes.

Honorable Jonathan Kaiman, Supervisor, Town of North Hempstead

Jonathan Kaiman is the Supervisor of the Town of North Hempstead. Supervisor Kaiman has implemented numerous initiatives, including the development of a 311 Response System. The 311 Response System fast-tracks public complaints and requests about government. In addition, Supervisor Kaiman initiated Project Independence, an innovative program specifically designed to assist seniors who want to "age in place."

Supervisor Kaiman is responsible for several environmental-friendly programs such as North Hempstead's Townwide School Recycling Program, S.T.O.P. (Stop Throwing Out Pollutants), Pharmaceutical Collection Event, Operation Clean Sweep, and North Hempstead's Earth Day Program. He has also led North Hempstead to green its vehicle fleet by purchasing hybrid and electric vehicles for the Town.

Grants Secured by Supervisor Kaiman

Supervisor Kaiman discussed the process of applying for State and federal grants for municipalities. Some of the grants secured by his Town include:

- Federal stimulus funds under the American Recovery and Reinvestment Act for \$5 million and Federal Highway Administration fund for \$3,139,000 for Prospect Avenue's roadway, pedestrian, and streetscape improvements;
- U.S. Department of Energy for \$842,100, Verizon for \$1 million, and Neptune RTS for \$10 million for New Cassel's Community Center's energy improvements;
- U.S. Department of Justice for \$850,000 for North Hempstead's "311 Call Center" project to answer inquiries from the Town of North Hempstead's constituents;
- Department of Health and Human Services for \$333,000, New York State Office of the Aging for \$59,046, and Federal Transit Authority for \$854,342 for "Project Independence," to help those who want to stay in their homes and age in place, rather than relocate or move to retirement facilities;
- Department of Environmental Conservation and Environmental Protection Agency for \$2,024,000 and Department of State for \$80,000 for Mill Pond's water quality improvements and storm water mitigation;
- Department of Transportation for \$299,406 for hybrid cars;
- Department of State for \$48,300 for "GreatNet," a web-based Internet platform that links nine villages on the Great Neck peninsula, the Town of North Hempstead, the Great Neck School District, the Great Neck Park District, three fire departments, and other special districts all in one common place;
- Department of Transportation for \$410,680 for improvements to Plandome Road;
- Dormitory Authority for \$2.4 million to address flooding problems; and
- U.S. Department of Energy for \$570,900 for the "Green Vehicle Depot" project.

Honorable Paul Pontieri, Mayor, Village of Patchogue

Paul Pontieri is the current Mayor of the Village of Patchogue. He was elected in March 2004 to a four-year term and re-elected in 2008. Previously, he was vice principal of Bellport High School for many years and also served as a vice principal at Ward Melville High School.

Paul Pontieri indicated that his municipality received \$36 million in State and local funding. He noted that multiple sources of funding can enable the completion of large projects. Therefore, no project is too big if you consider combining different funding sources. From Mayor Pontieri's experience, municipalities must demonstrate that they accomplish the goals they have set for a project to receive future grant funds.

Additional Comments

During the question and answer period, Supervisor Kaiman indicated it is important to know the details of the grants being applied for, as well as what projects need to be done before applying. In some instances, it is important to demonstrate to a granting entity that the receiving local government will be using funds to help other local governments. Supervisor Kaiman has worked with a school district to obtain funds to replace windows in a school's building.

Appendix

Grants and Various Funding Sources Available to Municipalities

Housing and Community Development Grants

http://www.dhcr.state.ny.us/Funding/NYSCDBG/2011/2011NOFA_HCR_OCR.pdf

NYS Community Development Block Grant
Affordable Home Ownership Development Program
Home Local Program
NY Main Street Program
Access to Home Local Program
Restore Program

Community Development Grants

http://www.rurdev.usda.gov/HAD-CF_Grants.html

Community Facilities Grants

http://www.preservenys.org/01_what_grants_presny.html

Preserve NY Grant Program

<http://www.dec.ny.gov/chemical/8447.html> or

http://www.nyswaterfronts.com/BOA_package.asp

Brownfield Opportunity Areas Program

Shared Services Grants

<http://www.dos.state.ny.us/LG/contact.html>

Local Government Citizens Re-Organization Empowerment Grant

Citizen Empowerment Tax Credit

Local Government Efficiency Grant Program

Local Government Performance and Efficiency Program

Local Government Records Management Improvement Fund

http://www.archives.nysed.gov/a/grants/grants_lgrmif_app_2011-2012.pdf

Local Government Records Management Improvement Fund

- Disaster Management Grants
- Disaster Recovery Grants

New York State Office of Parks, Recreation, and Historic Preservation Grants

<http://nysparks.state.ny.us/grants/state-funded-programs.aspx>

Heritage Areas Program

Historic Preservation Program

Acquisition Program

Park Development Program

Federal Historic Preservation Fund

Snowmobile Trail Grant Program

Great Lakes Grants

<http://www.dec.ny.gov/lands/25582.html>

Great Lakes Protection Fund

- Small Grants Program

Hudson River Valley Greenway Grants

<http://www.hudsongreenway.state.ny.us/GrantFunding/GrantsOverview.aspx>

Hudson River Valley Greenway

- Communities Grant Program
- Compact Grant Program
- Conservancy Small Grant Program

Hudson River Estuary Grant

<http://www.dec.ny.gov/lands/5091.html>

Hudson River Estuary Grant Program

Water Quality Improvement Grants

<http://www.dec.ny.gov/pubs/4774.html>

Water Quality Improvement Project

Waste Reduction Grants

<http://www.dec.ny.gov/pubs/grants.html>

Municipal Waste Reduction and Recycling Program

Recycling Coordinators

Household Hazardous Waste Program

Environmental Grants

<http://www.nycofunding.org/> or <http://www.epa.gov/care/>

Community Based Environmental Grants

Farmland Grants

<http://www.agmkt.state.ny.us/ap/agservices/farmprotect.html>

Farmland Protection Program

- Developmental Rights Grants