Long Island Regional Planning Council
Summary Minutes

LIRPC Meeting – November 18, 2020
Zoom Virtual Meeting

LIPRC Members Present
John D. Cameron, Jr., Chair
Michael White, Vice Co-Chair
Jeffrey Kraut, Treasurer
Theresa Sanders, Secretary
Supervisor Don Clavin
Elizabeth Custodio
Mayor Barbara Donno
Nancy Engelhardt
Jeff Guillot
Mayor Robert Kennedy

Staff and Guests Present
Richard V. Guardino, Jr., Executive Director
Elizabeth Cole, Deputy Executive Director
Missy Leder, Executive Assistant

Alan Belniak
Jonathan Cohen
Pat Halpin
Sarah Lansdale
Gary Lewi
Larry Rose
Sean Sallie

Julie Marc
Angel Adegbesan
Thomas Beach
Michael Borsuk
Patti Bourne
Mary Byrne
Sulin Carling
Francesca Carlow
Jo Constantz
Mark Cronin
Sean Cronin
Emily D'Antonio
Lorianne DeFalco
Lorraine Deller
Ray DiBiase
Durese Enniss
Ron Epstein
Catherine Fee
Aaron Fleishaker
Joe Forgione
Andrew Freleng
Marty Glennon

Jim Green
Linda Henninger
Amani Hosein
Kristen Jarnagin
Legislator Kara Hahn
Jenny Kate Schlagel
Marguerite Koehler
Deek Laung
Mason Leonard
Neal Lewis
Kamron (OFD)
Max Mattone
Tom McCambridge
Marlene McDonnell
Barry Milberg
Adam Moss
Elisabeth Muehlemann
Jeff Murphree
John Neill
Trustee O'Neill
Gwen O'Shea
Mitchell Pally
Tory Parrish
Adam Pasternack
Kimberly Pettit
Mike Q
Barbara Ransome
Dorothy Roberts
Christopher Robinson
John Rottkamp
Leslie Saks
Joanne Schiefer
Peter Scully
Mohinder Singh Taneja
Daniel Small
Sherry Southe
Wes Sternberg
Zahid Syed
David Tepper
A. Thomas Levin
Smaranda Tolosano
Danny Vazquez
Aria Velasquez
David Viana
Robert White
Natalie Wright

Meeting Commenced:
John D. Cameron, Jr., opened the meeting at approximately 10AM.

John Cameron:

I would like to welcome you all to the November meeting of the Long Island Regional Planning Council, our second virtual meeting since the onset of the COVID-19 pandemic. I'd like to ask Rich Guardino, our Executive Director to do a roll call.

Roll Call
John D. Cameron, Jr., Chair
Michael White, Vice Co-Chair
Jeffrey Kraut, Treasurer
Theresa Sanders, Secretary
Don Clavin
Elizabeth Custodio
Barbara Donno
Nancy Engelhardt
Jeff Guillot
Robert Kennedy

John Cameron:
Thank you Rich. As is our custom with normal in person meetings, we start with a pledge of allegiance and I ask all attendees to remember the men and women of our armed services, who put their lives in harm's way each and every day, so that we may enjoy the freedom that we do in this country. What I would ask is that you remember each of them today as we have a special moment of silence to commemorate the passing of one of our council members who passed away a few weeks ago, Ralph Scordino. The Mayor of Babylon was a dedicated public servant, who loved this community and Long Island. Ralph, you will be missed by all. Let’s share a moment of silence.

Chairman’s Report: John Cameron
I'll be brief with my Chairman's remarks today as we have an excellent panel discussion scheduled on a very important topic that not only affects the quality of life for Long Islanders, but also our economic sustainability. Just when you thought 2020 could not be more challenging with the pandemic that has consumed so many of our lives for the majority of the year, we've also had a presidential election like no other in our lifetime. Barring a major surprise election reversal in the courts, there will be a different president in the White House for the next four years, who will have very different policies and priorities. Long Island mirrored much of the non-urban voting of the country being fairly divided in this presidential vote. What was also apparent was that Long Island expressed some level of dissatisfaction with what has been transpiring up in Albany. As we all know, our state and local municipal budgets are in serious distress. It is our collective hope that the federal government, whomever is in charge, recognizes its responsibility to respond to natural disasters, including pandemics, and provides much needed financial support to fill the budgetary voids created by the global pandemic. Our state and our region, which has been the national epicenter of this pandemic, are highly dependent upon such support. There is so much to discuss, but we have an important panel presentation. I'll turn the meeting over to our Executive Director, Rich Guardino to introduce the program.

Rich Guardino:
Before we move into today’s discussion, we will conduct one order of business which is the adoption of the minutes from the September 15th LIRPC Meeting. We have a quorum.

Adoption of the September 15, 2020 minutes.
Motion to Accept:
Seconded: Elizabeth Custodio
All in Favor: So moved.

Alan Belniak:
Thank you Rich and thank you to everyone for joining us. If you've been part of Zoom meetings and calls before this might be old hat, but I know some of you might be new to this. We are going to be taking questions

and commentary after the presentations. You could submit questions at any time in text form by entering it into the Q&A box below. While we will answer those later, you can enter a question any time. If you'd rather verbally ask your question or share your comment, you can do so by pressing the raise hand icon down below which looks like someone giving a high five. That sends a signal to me indicating that you would like to come off mute to speak. When the time is right, I will call you out and you can do so. If you're dialing in from the telephone, you can still raise your hand by pressing star 9 on the keypad. When we get to the Q&A and commentary portion of our program, we will be able to moderate that Q&A and members of the panel will be able to have a good interaction. With that, Rich, back to you.

Rich Guardino:
Thank you, Alan. Our panel presentation this morning is entitled “Dinosaur or Dynamo? The Future of Long Island Retail.” At our September 15th meeting, Todd Poole of 4ward Planning outlined the challenges and opportunities regarding retail development in the COVID-19 era. The pandemic has accelerated changes in the retail environment. The panelists for the presentation include national retail sector experts. They will discuss what must happen to seize the opportunity for Long Island's economic growth. The panel will be moderated by Gary Lewi who is the Managing Director for Rubenstein Associates. The panelists are Jonathan Cohen, Vice President, Blumenfeld Development Group, Pat Halpin, Managing Director, Mercury, Sarah Lansdale, Suffolk County Director of Planning, Larry Rose, Principal, The Rose Group, and Sean Sallie, Nassau County Deputy Commissioner for Planning. With that, I'll turn it over to our very capable moderator, Gary Lewi.

PANEL PRESENTATION: “Dinosaur or Dynamo? The Future of Retail on Long Island”

Gary Lewi:
I want to thank Alan, if he could come to my house and program my smartphone it would be really helpful! This is going to be a conversation among some very smart people who have a tremendous amount of insight into where retail may be going. I don't know whether or not there is a crystal ball, or at least an accurate one when it comes to this, but if there is, I suspect it will be delivered by Amazon. Sarah Lansdale is the Suffolk County Director of Planning and she is first up to walk us through where she believes this is going and perhaps sharing some vision from Suffolk County. Sarah.

Sarah Landsdale:
Thank you so much, Gary. I am so pleased to be here. Thank you also, John and Rich, and all of the members of the Long Island Regional Planning Council, and all of the panelists for participating in this discussion today. I want to start off by just taking you through the County's process and the way we've approached this matter. It was late last year, pre-COVID, that Legislator Kara Hahn invited staff members from the Department of Economic Development and Planning, as well as the Department of Health and the Long Island Builders Institute to come together and talk about the future of retail and discuss what we could do to address its changing nature.

We first started with looking into the statistics and the actual changes in the landscape. We found that Suffolk County, like the rest of Long Island, has a lot of retail. We have 5.4 million square feet of retail comprised largely of our three regional malls. As you know, Suffolk County relies on sales tax for its budget, and given an estimated $325 per square foot in sales, and a vacancy rate of 5%, it is estimated that malls in Suffolk County pay out about $77.4 million annually in the county portion of sales tax. Given property taxes for commercial properties of about $4 per square foot, malls pay an estimated $21.7 million dollars to all taxing jurisdictions. So, given where we are in terms of the retail space during COVID, this is an important sector that the county feels we should examine.

We convened town planners and others to begin a discussion about setting the regulatory framework to address the vacancies at retail spaces. We looked at it from a zoning perspective and took into consideration wastewater regulations that may drive decisions in Suffolk. We brought in the health department to look at the sanitary code and the wastewater regulations. I'm pleased to report that the health department looked at the options and amended its wastewater guidelines back in July of this year, during the pandemic, to allow for flow rates for smaller apartments. They amended their sanitary flow rates to allow for apartments of 450 square feet or less to have a flow rate of 110 gallons per day. In addition, we convened all the town planning directors with our members of the Suffolk County Planning Commission to discuss the commercial to residential conversion overlay zone. In fact, I want to give a shout out to Andy Freeling who grabbed the pen and drafted a model code for towns. It's a floating zone that local towns could look at and potentially adopt and tweak as they see fit. There are performance standards contained in this draft overlay that I'd be happy to talk about in further detail.

That's just a quick summary of some of the steps that we've taken to address the potential vacancies as a result of the changing retail environment. Thank you so much.

Gary Lewi:
Thank you very much and we will definitely come back and revisit that as this conversation continues. Sean Sallie, Suffolk County Planning Deputy Commissioner, you are deeply embedded in trying to navigate the future of retail in Nassau County. What insight can you provide?

Sean Sallie:
Gary, thank you and thank you to the Long Island Regional Planning Council for having me participate in this panel today. Sitting in the Department of Public Works and also overseeing the Planning Commission staff, we're in a unique position to support local revitalization efforts, particularly downtown revitalization and the future of retail.

In Nassau County, we categorize or put retail into two spatial buckets, downtown small format/experiential retail and strip mall/commercial retail, where you have big box type development. Prior to even e-commerce, the big box development began to erode the local downtown mom and pop stores. But over the past 10 years, there has been this re-centralization of retail into downtowns and small format/experiential. People are looking for and preferring those niche businesses in local downtowns. E-commerce was impacting the viability of your big box stores and now throw the pandemic onto that and you further have this this erosion of your strip commercial retail and big box stores. We've been seeing (especially in downtowns) the conversion of obsolete retail to restaurants, which is a great sign. We've also seen conversion of large format retail, vacant retail or underperforming retail to self-storage facilities at the edge of the downtowns and along our commercial corridors. I'm sure you're all aware that there is a tremendous demand for self-storage. So, I think, there's an opportunity to revitalize our commercial corridors with a mix of uses through good planning and all the great work of our local municipalities. I think that's a winning strategy.

Sarah touched on that the tax base implications, I think we need to take a look at this with a sort of surgical approach. These big, large format retail pods contribute a tremendous amount to our tax base, both our property and our sales tax base. So, ensuring that there's no net loss to our local municipalities and districts that rely on that base is very important.

I would like to note a few other items. Sarah reached out to us and the Nassau County Planning Commission to team up on the model ordinance. We are all in and we think it's a great idea. We're thankful to Sarah and Suffolk County for approaching us. We've also been mapping our municipal zoning referrals throughout the county over the past 10 years. That mapping will be online for the public. Over the next month, it will be released. We plan to be using that to identify spatial trends in revitalization of retail and see where those development areas are, what the trends have been, and where we should focus our planning efforts in conjunction with local municipalities. Again, as Sarah mentioned, data driven approaches are extremely important and are tools that we can offer the public developers, municipalities and other interested citizens and the public in order to work together to strategize on retail revitalization.

So happy to be part of this panel and excited for the Q&A session.

Gary Lewi:

Thank you! Larry Rose, you're at the tip of the spear working with the Seritage Group in the throes of reinventing the old Sears site in Hicksville. What is the news on that front?

Larry Rose:
Thank you for having me John, Rich and the entire Long Island Regional Planning Council. This topic is top of mind for many people. As Gary said, I kind of live it every day so I think it's important to take a step back when you look at retail. Retail affects every part of every community across the country as it contributes massive numbers of jobs. I was having a conversation with a congressmen and he asked, “Is there anything you want me to know?” and I said, “Yeah, if you take one thing away from this conversation, it’s that if you take the annual attendance of the Mets, the Yankees, the Knicks, the Nets, the Rangers and the Islanders, it's a little over 7 million people. If I told you that Roosevelt Field last year had over 20 million visitors, it speaks to how ubiquitous retail is in general, and how it really affects everyone.”

You already started talking about taxes, but it also affects zoning. Retail is going to change things and this is not new because of the pandemic. This is not new because of the internet. The internet sales are not 80% of sales, they are under 15% of sales nationally. So, there's still a lot of good news. One piece of good news is the idea that a downtown still exists. I grew up in Cedarhurst. While the demographics have changed, there is still a Central Avenue and you could say that for every town. I think that when we look at this, things are going to be different, but not necessarily unheard of.

One other tidbit, which I think you'll find interesting comes from The International Council of Shopping Centers which does a lot of studies. A year ago was the first year ever in the United States that restaurant sales were higher than grocery sales. Now, obviously, I could assure you this year there's been a reversion to the mean, as most people are now buying groceries and record numbers, so I'm looking forward to hearing the dialogue to come. Thank you.

Gary Lewi:
BDG has created developments from Tanger in Deer Park to East River Plaza, overlooking Manhattan's Upper East. What's the vision of BDG these days?

Jonathan Cohen:
Thank you, Gary. I appreciate being asked to be on this panel. I've been living in this real estate world for over three decades at Blumenfeld Development Group. As Larry suggested, real estate is not going away. There's been transformation over the years as our company has been involved in multi-use retail, residential, office industrial, and the evolution is not new to us. As Larry suggested, brick and mortar is not going away, it is changing but it still represents 85% of retail sales. We are a consumption community, to say the least. I've recently spent some time in supermarkets. There are changes in people’s shopping habits and the internet has changed things, but Whole Foods is still around. In Whole Foods you have more Amazon shoppers picking out orders, but the stores are still there.

In terms of what was suggested with retail being broken into two elements, the downtowns and the strips. I agree with that, but I actually think there are three elements. You have the regional shopping areas, which is a third element to retail. Each one of the three will continue to change over time. I think what the last six months or eight months of the pandemic has done is accelerated the rate at which things are changing, but they've been changing for over for the past decade, certainly in retail. I look forward to the discussion.

Gary Lewi:
We will come back and explore that a little further. Pat Halpin, former Suffolk County Executive, you have been on the ground when it comes to economic development for a very long time. If the axiom is that the malls killed Main Street, and now Amazon is killing the malls. What happens? What are we looking at going forward?

Pat Halpin:

Very interesting, Gary. First of all, thank you for having me be part of this. The Long Island Regional Planning Council is a very important organization for our region and this topic is certainly very timely. I just want to share a couple of experiences that I think speak to all of the things the prior speakers have talked about. As you know, our firm Mercury Public Affairs was very involved with the Simon and Castagna development of the Cerro Wire site. To put that into some context, that property was about 76 acres when you included the DP yard and former landfill that the Town of Oyster Bay had. They brought in two of the very best architects and engineers and environmental consultants to come up with a world class plan. Of course, they went through all the processes with the town and others and developed part of a planned unit development for that area. It included housing, recreational space, ball fields, soccer fields. It included office, retail, and residential. Frankly, what happened was that when push came to shove, there was enormous opposition from the community and from the school district. Interestingly enough, the schools actually had declining enrollment, but they were concerned and they came up with all kinds of crazy numbers about student integrity. That plan disappeared after what I would say was tens of millions of dollars being invested.

So, it wasn't lack of investment or lack of thoughtful development. Frankly, it came down to the fact that communities that are going to thrive in this world need to have a zoning code that allows for that type of development. In the case of Simon, ultimately, they ended up teaming up with Amazon and they're going to build a very big warehouse at that property. It's just a fact of life. They see where the retail trends are going and they are not going to swim against the tide, especially if there isn't the local leadership necessary to make those things happen. This is different from what we have seen in places like Patchogue and places like the Town of Hempstead, where they've looked at their communities and come up with an overlay zone or plans that developers feel confident that if they make the investment, it will happen.

They're also looking at their malls. If you think about what's happened at Walt Whitman mall, which is now the shops at Walt Whitman, or for that matter at Roosevelt Field, what they've done here on Long Island, is to create more of a kind of walkable community with restaurants and with all amenities that people look for. What we're seeing in our older downtowns is that they are putting in restaurants and other things that draw people to that unique experience. Simon has also teamed with Amazon to do last mile, one of the vacant anchors at their Roosevelt Field. So as was just said, everything is evolving.

In other places in the country, what they have done is to look to put in residential as part of that community. Not because it's going to draw up a lot of customers, but because it helps create a sense of place. It's not just a shopping center or a mall. Money will follow communities. Towns and villages that have the foresight and the vision to adopt overlay zones or codes will allow for that flexibility. People need to have a sense of high confidence that if they move forward with those plans, they will be allowed.

I will tell you that people are looking very carefully about what's happening in Hicksville and that is going to be critical to whether or not we do what we've done in the past, which is when it gets a little sticky. It may determine if we kind of veer off or if we push it through. Hopefully, people see what's happened there, they'll be anxious to have more of that kind of redevelopment in an area.

I also happen to be the Chairman of the Town of Babylon Planning Board. It's an interesting assignment. What we have seen in some local communities is what Steve Bellone, who was the Town Supervisor, and now Rich Schaefer, did was spend a lot of time with the community developing an overlay zone for investment in what is their commercial strip and now we're seeing investment by the millions of dollars coming in with better retail and residential. It's an opportunity that's evolving there and it's creating a real sense of a downtown. This is a wonderful opportunity for us as this pandemic is going to change things. We have to seize that opportunity and it will take great planners and local officials who are willing to embrace this and make it happen.

Gary Lewi:
Let's go back to Sean and Sarah for a moment. So, there you are creating these, I won't call them academic plans because that sounds like a pejorative, but you're dealing with these overlays and these concepts that are really smart, really important, really innovative. But, you can't execute because you don't control the zoning.

How is that going to work out? Do the towns actually recognize the seismic changes that are occurring beneath their feet? Since they're insulated? They're going to get their property taxes. The County on the other hand, both counties are badly hemorrhaging as a result of COVID. And likely so for at least another year, maybe even longer? How does that fault line get mended so that the towns actually get with the program of a life that has changed? Sean, you want to take a shot at that?

Sean Sallie:
Sure, we are here at the County Planning Commission to support and assist local municipalities. The model code that Suffolk County is working on can be a turnkey tool that locals can use to affect those land use changes. From where I sit with the ability to see the infrastructure components of redevelopment, I think that's where we can make the biggest dent, at the county level. We have sewer availability, but county approvals that can take a lot of time. I think we have the wherewithal and the drive to expedite those to the best level possible. Transportation, sewer, stormwater, all of those infrastructure elements that are essential to revitalization, especially when it includes a mix of uses, have different demands on infrastructure. I think we can come to the table and start planning now for potential changes. The local municipalities will have the best handle on the zoning ordinances. At the county level there are a lot of services and infrastructure issues that need to be coordinated, whether it's expansion, upgrade, repair, or otherwise, so that when a local municipality does pass an ordinance, a developer can come in and an approval can be expedited because the infrastructure is in place. So, I think we're working in a coordinated way with a lot of different fronts to effectuate that type of change.

Sarah Landsdale:
I wanted to add that Suffolk County has had a long history through its Planning Commission of developing model codes that are then implemented at the local town levels. We've done that with a model solar code, for instance, and others, and with this we're following that same path of convening the towns and working with the town leaders putting together a draft of an overlay code that they then could look at and tweak locally to fit their needs. The interest has been there from the local leadership and the town planning directors. We look forward to finalizing this draft and look forward to assisting towns and I agree with Sean 100% that the County Planning Commission's role is to help facilitate and help support good planning. It’s also been requested and we are considering how we can work and streamline matters and look at putting together a generic environmental statement so that local towns could use the generic information that's countywide and incorporate that into their own local deliberations.

Gary Lewi:
Larry Rose, are the big boxes dead and not coming back? Even in a post COVID era? If the big box anchors in the malls are dead what do you do with that space?

Larry Rose:
That's a great question. I think the big boxes are not all dead. Some of them are, obviously, but as I mentioned, in my opening remarks, this is not necessarily new. I think there is one piece that's a little bit of “inside baseball”, but it will help explain what you see happening with the anchor tenants regardless of whether it's a Sears or Macy's or JC Penney. When most of the malls were built in the 50s, 60s and 70s frequently the developer owned the actual inside part of the mall and the anchors who are all at the end caps were tenants or retailers who owned their own box. The developer basically said, I'm selling Macy's, as an example, 20 acres to build your own building and you own that portion of the parking lot. When you go to Roosevelt Field or Broadway Commons or Walt Whitman, part of that parking lot is owned by an anchor and they're responsible for it. What happens is now you hear that Sears is redeveloping and Seritage is formed and they have 260 properties and they're spinning off half of them in malls. Well, I redeveloped a Sears box for Seritage. In Wayne, New Jersey, Sears Seritage, owns the Sears box, and then 15 acres in the parking lot. We were able to tear down the Sears Auto Center and build the Cinemark movie theater and therefore reposition the retail. So, in a lot of cases where the mall owner owns the mall, it's like there's a long spine and these things that kind of come off on the ends. In many cases, the retailers own those and now there's a tremendous amount of value. When you talk about all these redevelopments, whether it's for industrial, multifamily, or even office, in

some cases owning that 15 acres in the parking lot is of critical value because all these things need to have appropriate parking.

So, I wouldn't say the boxes are dead, a lot of them are alive. A lot of it comes down to merchandise and how you are merchandising these stores. It used to be that the anchors were the biggest piece of retail square footage. Now, you can really make the argument, for the last call it five to ten years, the Apples are the anchors and only at several thousand feet. There are more people going into Apple now than going into what used to be the anchor which might be 250,000 feet. The anchors are not drawing the people in, which is why there's a higher and better use for these boxes. This is why you're now starting to see that real estate is like politics. It's all local. I've worked on redevelopments in California, New Jersey, New York, and Florida and each one of them is different because it really is dependent on what's in that community. Hopefully that was helpful.

Gary Lewi:
Let's go talk to Jonathan Cohen from BTG. Jon, what's the financial community's take? Do you have any ideas regarding how the bankers are looking at retail these days? Do they view it as radioactive?

Jonathan Cohen:
First, I just want to make one more point that big box retail is not dead. I think it's thriving in certain instances. There are the Targets of the world, the Home Depots of the world, the Walmarts that are actually thriving in regard to the financial world. The banking community has been decimated through the pandemic, not just in retail but in multiple sectors of their business. Today it is very difficult to get financing from the typical sources that have been financing real estate over the years. I think you're going to see that the retail markets have been hammered. In answer to your question, the banking community is going through some tough times. It's very difficult to finance real estate today. A lot more equity is being required in deals, but I think there will be other sources of money coming into the industry. I think there's a tremendous opportunity for debt players, mezzanine lenders, bond offerings, and other vehicles to finance real estate going forward. It's not like we haven't seen this in the past. We've had credit crunches over the past several decades and we know there always seems to be new avenues to finance real estate. The transition that we're going through right now is difficult at best with the more recent sources of financing being the commercial banks. The CMBS market is evolving because there are a lot of real estate deals that were financed through the CMBS market, which has been imploding. But, I think that we're seeing the tail end of what we've faced for the past decade which is that the special servicers in the CMBS world are now in a position to work with borrowers to restructure the capital stacks.

Gary Lewi:
Will we start to see some sort of financial light at the end of this tunnel in the second quarter or the third quarter of 2021?

Jonathan Cohen:
I think it's going to be longer than that. I think you're going to see that 2021 is going to be more difficult than 2020 when it comes to the financial side of the real estate business.

Gary Lewi:
Larry, do you agree? Is that your perspective as well since you're on the frontline?

Larry Rose:
Thank you for looping me back in because the only caveat to what Jon said is there are certain sectors within real estate that are doing better now than pre-pandemic in terms of pricing and getting money. If you look at it, retail is a little bit radioactive right now, right? I mean, no one is literally wanting to enthusiastically lend in that sector. You could probably say the same thing about hospitality. Although since vaccine approval, the stocks are going up and people are going to get more comfortable. Where the money has been flowing is into multifamily and industrial because with every billion dollars of sales you need more industrial space and also people have become accustomed to receiving packages, same day or the next day. So, while warehouses

were off exit eight on the Jersey Turnpike, now these things need to be in Syosset. Amazon is building in Syosset because the people on Long Island want to have same day service and you only get same day service if the warehouse is near where you live. So, what's going to happen in those sectors? I think they have actually been bid up in price, in terms of assets and financings, where retail is clearly lagging. Also, when you layer in the structural issues, which is what we're talking about here, development will take a lot longer. Jon's crystal ball is probably better than mine, so, on the retail I agree with everything he said.

Gary Lewi:
Pat, there have been multiple references made to multifamily in some retail spaces. Is that politically achievable?

Pat Halpin:
The short answer to that question is absolutely. We are going to get the usual pushback. We just heard about Amazon and Simon building the last mile warehouse in Syosset. What's interesting about that, as an aside from thinking about tax impact, is that they're probably going to get an IDA tax break for that. They are petitioning for that. The Nassau IDA has recently given an IDA tax break to another last mile distribution center. So, what's happening? Fascinating that the multifamily/multiuse plan that was planned before wasn't going for IDA. But, the school board still opposes that, because now they're saying, well, we don't want the IDA breaks.

Setting all that aside, as well as the usual pushback you get from school districts about multifamily, I think that the towns and villages and others are all being impacted by the decline in retail. Frankly, I had a long conversation with one of the key executives at a major real estate family in New York City. I said, "How's it going?" and she said, "Well, the tenants in our office complex, even though they're virtually empty, are still paying their rent while the retail is not." In the case of malls, all those little stores that we talked about before, a lot of them aren't paying their rent. So, you're going to see tax shortages coming in. You're going to see that the only reason we haven't seen even worse declines in sales tax revenue is because of all the last mile delivery in the packages that are coming in. Now that the state of New York is putting sales tax on that, the counties and cities are able to get their share of that revenue.

But to your point, there isn't going to be an issue with multifamily for all the typical reasons you would hear. Number one: developments can accommodate the traffic. Number two, there's plenty of parking to the point that was made about the parking lots and who owns them. Number three, we are still seeing declining enrollment. As those of us who have been involved and supported developing and promoting multifamily know, this kind of development does not generate that many students.

I think people should be more concerned about the lack of vitality in some of these strip malls. In places like Hicksville figuring out what to do with Sears should be a priority. Although we're getting pushback from the school, they should be more concerned about what happens if we continue to do nothing versus bringing in well designed, beautiful multifamily residences. Frankly, one of the other things that people don't talk about is that most of the people who will move into those multifamily developments are people who are selling their single family homes to young families, but want to stay in the same neighborhood for their friends and their grandchildren. So, I think that is where we're going to get pushback, but it's not insurmountable at all, especially in light of the pandemic.

Alan Belniak:
Rich Guardino, we are beginning to see a number of questions pop up from those who are viewing this program. I also know that our Council members are going to want to ask questions of our panelists. How would you like to proceed?

Rich Guardino:
Let's start with the Council members and then we'll open it up to all the attendees. Alan, please chime in for just a moment for some of the attendees who may have tuned in late as to how they can participate.

Alan Belniak:
As some of you have already done, you've found the raise hand feature down below. For those of you who may have missed the primer beforehand, you can look for that high five icon down below. You can also use the Q&A box down below to type a question. As Gary mentioned a moment ago, we do have a handful of hands raised. We'll get to those after we take a round from the Council.

John Cameron:
I would like to ask a question. For those of you who may not know, it was 10 years ago that the Council did a 25-year sustainability plan called LI2035. While we identified numerous challenges for Long Island's future sustainability and long-term viability, we came up with two primary impediments; one being the lack of diversity and housing stock, i.e. rental housing, and the other being an unsustainable tax burden. We all know if you get vacancies in these commercial areas, you're going to get tax certiorari claims. That’s a major challenge. Alternatively, they could stop paying their tax bills. What will happen is that the burden shifts from the commercial base to the residential. We all know Long Island has a major challenge with regard to unaffordable taxes as it is. I would like to reflect on our lack of diversity in housing and affordable housing. Now, I know some of our speakers here have been involved in a number of developments and I'd like to know how they see how we can help utilize this opportunity. Again, you never waste a crisis. I think we can take advantage of this conversion of commercial or retail space to some mixed use or incorporate multifamily. How do we ensure that we're going to get affordable housing? We all know affordable unfortunately became a four-letter word so we went from affordable to workforce. We're still trying to find a plan that a community welcomes. How do we ensure that other than legislating? Can we encourage or incentivize the development community to make sure that we're getting the affordable housing which we need on Long Island? Empty nesters can create housing opportunities for young people in the single-family home market, but how do we ensure that housing is going to be made available for the future workforce of Long Island? I would like to hear from the developers as to how do we make sure that happens?

Gary Lewi:
Well, there's going to be parameters here because what Chairman Cameron is asking for is a master's thesis, and you're going to have to deliver that in about four to five minutes worth of college. All right, who wants to take the first shot of that, Larry, you have the misfortune of me seeing you in the upper zoom.

Larry Rose:
Thanks, Gary. No good deed goes unpunished, as they say. John, thank you for the question. I admittedly am not an affordable housing expert, but I understand how developers think. Regardless of location or market, what I'm about to tell you is kind of a universal truth, which is, developers need to be incentivized to do certain things. If you're saying affordable housing, you could substitute any other euphemism asset class that you might want to promote. If you provide density bonuses, that's something that gets developers attention. If all of a sudden, I could build more of this than that, well, all of a sudden, this becomes a little more highly prioritized. I think you have to remember that what is tricky about affordable housing, having nothing to do with the political side of it or the negative connotation around it, is that the rents are typically lower. So, the rents of affordable housing, because they are based on income level, are low, but the cost of construction isn't wholly different. I still need to dig a hole, lay a foundation, put on a roof, add heating. When you start adding up the pieces for a lot of developers, it doesn’t make sense. That is different for those developers who only do affordable housing. They’re experts in it. They understand how to get the benefits that I just described in terms of bonuses and density. They understand how the tax laws work and they're able to take advantage of every program out there. So, there are some wildly successful, affordable housing developers. For what I'll call developers that don't build affordable, it becomes something that's just the tail wagging the dog. If I'm building market rate housing, I'm not an affordable housing developer. So now all of a sudden, what ends up happening is that you end up having an affordable piece that’s maybe not legislated. These multifamily projects on Long Island don't always work so you need a pilot and that ends up coming with some affordable components to it. You end up getting your affordable piece and projects, but it's not the way you're hoping to have it. I'm reading your question as, how can we proactively design the project to include affordable, instead of someone's arm being twisted to throw some units in, right? That's more or less what you're saying, right? So it becomes business as

usual on Long Island, as opposed to the exception. Sometimes the developer comes in and his arm is twisted and there are incentive bonuses and it happens, but the developer is kicking and screaming. On the flip side, if the developers come in with affordable in the plan and if it is receptive in the community, they are somewhat, exalted as is doing the right thing.

I guess it depends on what community you're going to, right? There are some communities that are happy with just having market rate housing. My job as a developer is to get into a community and learn what is it about my plan that a community likes and dislikes. Developers spend years doing this. Blumenfeld are masters at it. They're in these communities and they know the people on a first name basis. If the people in the community don't want it, you're hard pressed as a developer to build it. If we're trying to have something that gets community buy in, yet the community isn't buying into it, it becomes hard and you could understand how the developers are in a tough spot in that situation.

Jonathan Cohen:
Very interesting topic. I don't know that affordable housing, per se, is any more of a problem or if it’s the lack thereof, or is it is just the type of housing we generally have on Long Island. I have three boys in their 20s and and I see amongst their friends that the idea of moving back to Long Island is challenging because of the type of housing here. I think it's market driven. If there was more housing, generally speaking, different than your single-family homes, whether it's in villages and towns throughout Long Island, that that would provide housing for them. I am talking about rental housing, generally, not necessarily affordable. I'm not sure what affordable housing means to Long Island as opposed to different housing than we currently have.

Gary Lewi:
What's really the market rate? Housing is somewhat unaffordable for the majority of the workforce on Long Island because of the lack of supply. If you let market conditions dictate, providing more housing (a plug to Larry’s development in Hicksville) would make it more affordable. I personally think it's the type of housing and it’s community driven. Multi-use development needs to happen throughout Long Island.

You can't have a conversation about the future of retail without talking about affordable housing. We're an hour out from having to conclude and we now have over a dozen questions in queue. I want to make sure that those who have either raised their hands or posted questions actually get their questions answered. Chairman Cameron, do we have any additional questions from Council?

John Cameron:
Once our collective focus shifts off figuring out these election results, a lot of this world's collective focus is going to shift toward what Albany is going to do to try to plug this massive budget gap and that focuses on revenue. How are we going to find different ways to plug this budget gap if there's uncertainty as to what the federal government is going to be able to do based upon the composition of Congress. I'd be interested in hearing from someone from the government side and someone from the real estate side as to what are some things that Albany can do to try to inject money into the retail sector? Perhaps more importantly, what are some things that Albany shouldn't do because it could lead to more economic decline when it comes to many of these suburbs?

Pat Halpin:
First of all, there's not going to be any help from government for the retail sector in terms of direct aid as we saw with the initial stimulus rounds. Albany, as Jeff said, is completely broke. One of the things we are going to be considering is raising the sales tax in Nassau and Suffolk County. They may do it on a temporary basis and we all know what happens when you have temporary increases. This would be the pandemic increase. They bring the sales tax level up to New York City and that is how they're going to try to plug the gap for the counties. I know that is being discussed very quietly. You're going to see that come forward.

I do want to get back quickly regarding the point that Larry made about affordable housing in Babylon. Several years ago, the IDA started getting these applications for rentals for tax abatements. It is arithmetic, what's the cost per square foot for these units to determine if they are affordable. The idea is that you will begin to entertain them if they are 20% less but not 10%, which is a statement that 20% less is quote/unquote affordable. There are parameters that define affordable because there's a big spread between what's affordable under HUD regulations; there is the value of this tax abatement over 10 years and there is what you might get from market rate so it becomes an indirect subsidy. Over the years, there have been a number of applications that have come before the IDA and town planning boards and all of them have this mandate. Frankly, it's not something we talk about. If somebody in the community asked about tax abatements, obviously, it's all part of the application. These applications can be done in a way that doesn't raise concern any more than what a traditional multifamily use application would raise. There are ways to provide this and there are opportunities.

The other thing I want to mention is that when Suffolk County Legislator Kara Hahn first convened the group, she was thinking about micro apartments in places like malls with all the amenities in place. There are restaurants, recreation, fitness clubs, and all the other shopping. She thought that it would be an opportunity to provide lower cost multifamily residents a setting where some of the things that you would typically do at home or in a bigger apartment can be provided out just outside the door.

Gary Lewi:
Legislator Hahn is in the queue with a question and we certainly want to get to them. First does any other Council Member have a question?

Theresa Sanders:
Yes, this is Theresa Sanders, I have a question and Pat Halpin just answered part of it. I'm always curious from the community perspective, what is the real financial range for affordable? And what's the financial range for market rate? It seems like on Long Island depending on where you go, affordable can change. Is there a method to coming up with that number?

Pat Halpin:?
I'll tell you what we did at the time when I was the chairman of the IDA. We made affordable a percentage of a person's income. So in other words, if you have a single family apartment, and the couple makes a certain amount, the percentage of rent can't be more than a third of that person's income. That's the standard that's used for affordability. It was something that was put in the statutes for the Town of Babylon’s IDA because it's really based on a person's ability to pay.

Gary Lewi:
Do any of our Council Members have additional questions before we go to the public? Rich, how would you like to proceed?

Rich Guardino:
I'm going to turn this over to Alan to help coordinate all the various questions.

Alan Belniak:
Thank you. Just a reminder to everyone joining this meeting that it is being recorded for archival purposes. For those of you who may have joined late there are a couple of opportunities for you to ask a question or share comments. Really quickly, you can use the Q&A box down below or you can use the raise hand feature. If you're dialing in from the telephone, you can also raise your hand by pressing star nine which will send a command to me. I'm going to start with one or two text questions, and then we'll jump to the phone or audio and then we'll ping pong back and forth.

So, the first question I want to address is from Legislator Kara Hahn. Does diversification of a real estate project help to get it financed?

Jonathan Cohen:

I think it depends on what diversification you have in the development. It certainly brings you to different pockets of lenders being a multi-use facility versus a single tenant. As we talked about earlier today, full retail is challenging at best to get financed. So certainly, multi-use is easier to finance than single tenant retail. As Larry suggested, there are certain sectors that are doing quite well, the industrial last mile is thriving, both from a US perspective and a financeability perspective. So, I think it depends on the type of mixed-use development.

Alan Belniak:
Excellent. Francesca, I'm going to send a command to you to open up your mic. And when you do, the floor is yours.

Francesca Carlow:
Hi, everyone. I live in the Town of Oyster Bay and I'm very close to Cerro Wire and it sounded like it was a done deal, but now I hear that Amazon is asking for IDA assistance. Number one, is it a done deal? And two, how could we contemplate giving Amazon a tax break? Thousands and thousands of trucks will be coming and going on South Oyster Bay Road and now they want to do it in Cerro Wire and get a tax break. I'm not necessarily saying I'm against Amazon, because God knows Cerro Wire has been through the wringer with everything, but to give a tax break?

Pat Halpin:
First of all, in Oyster Bay, nothing is a done deal. I know that there's been a lot of public comment. What I reported regarding tax abatement is what's been reported in the media by Newsday. They have filed an application to the Counties and the IDA for a tax abatement. So, that's the status, but it is not a done deal. It probably requires Town Board approval for a special use permit, but it's certainly within the realm of possibilities.

Alan Belniak:
This text question is from Marty Glennon: How important are master plans for Nassau and Suffolk? How do we get local municipalities to buy in? What type of legislation would be necessary on the local and or state level and what risks are associated?

Sean Sallie:
I can take that for Nassau. Any master, comprehensive plan at a county level is challenging, but also presents a host of opportunities. I think for Nassau, the local municipalities coming together to decide the fate of the future of the county is where we could make the most impact. We have a capital budget and a capital plan. I think a regional master plan that incorporates all of the local initiatives, revitalization, rezoning, etc. and understanding what that looks like from a countywide scale in terms of what policies are in place, how much development is expected, projected, estimated, etc., lends a tremendous value to the county as it's preparing its rolling capital plan. Sometimes we get caught off guard when local municipalities move forward with an initiative which might be what we want to see, but we need to catch up as far as infrastructure improvements and policy. So, I think that's where we could really make the biggest impact in creating this overall master plan for Nassau County. The local municipalities are sort of rolling up to the County and sharing what their desires are for land use and revitalization and the County is coming to the table with infrastructure and policy to implement those types of improvements. Other states have policies, reciprocity, all sorts of growth management strategies, and local and state laws even to ensure that local communities are working in coordination with regional entities. That's something that we can discuss in New York State.

Sarah Lansdale:
From the County perspective, Suffolk County certainly supports local planning efforts and encourages them with recognition that local planning efforts do need to be flexible enough to account for changing circumstances, market conditions and other conditions that will present themselves. So, we do recognize the importance of locally based planning, especially with a strong local civic participation, but also they have to be flexible enough to account for these changes in conditions.

Alan Belniak:
Thank you. Next we're going to go to a text question from Marguerite Bell: Could someone please comment on how the adaptive reuse of retail will adjust transit in the wake of the pandemic considering Long Island's over dependence on auto. What do you see as the change in the next 6-18 months?

Larry Rose:
That's a great question. Let's say, a retail big box is located near the train station. That space could be transformed into mixed use or multifamily regardless if it was a retail building or an industrial building or anything else. It's just more a function of, if that location is worthy of being redeveloped. The fact that it might be retail today is almost, in my opinion, an afterthought.

Proximity to a train station is relevant everywhere. In New Jersey as they extended New Jersey Transit, you had all these towns that all of a sudden started having multifamily by the train station. From a practical standpoint, it makes sense to have more density near the train station. If you're literally adjacent to the tracks, you already have a built in buffer of the tracks themselves. Across the street on the other side of the tracks is usually a road that runs parallel to the train station creating a buffer there. You always should have the highest amount of density near the tracks and as you radiate away from the tracks, your density should go down. That does a couple of things. It makes things more sustainable. If my apartment is right down the block from the train station, I no longer need to drive or deal with parking.

The point is that having people that live downtown who are now not getting in their car to drive as much helps sustainability. Additionally, they're creating a built-in clientele for whatever restaurants or other retail is downtown. Relating back to your question about retail, I think regardless of what a property is today, anything that's within spitting distance of a train station is going to want to be mixed use or have a multifamily component to it.

Alan Belniak:
Julie, I'm going to send a command for you to open your mic.

Julie Marc:
Yes, good morning, ladies and gentlemen. Many of you know that I wear many hats in the retail sector. This question is basically sales tax based. With the passage of the internet sales tax bill, which the National Council Chambers of Commerce worked earnestly to get passed over a number of years, how are the state, counties and municipalities handling the collection of the sales tax and can they justify an increase when internet sales have taken over what was retail during this pandemic?

Gary Lewi:
Well, it's a good question that I'm not sure who here has the stripes to answer since it's a government affairs question. I don't think our county planners are in a position of commenting on that but perhaps an observation from a former Suffolk County Executive?

Sarah Lansdale:
The short answer is that it goes in the pot with everything else. To your point, the impact on sales tax would have been so much worse in the early days of the pandemic to both Nassau and Suffolk County and we did see it come back in the second half of 2020. They did take big losses early on because everybody just shut down and went home and they are facing enormous gaps in revenue. Sales tax is the biggest single source of cash for both counties. When they take a hit like that, it's very hard to recover. Now, in all fairness, Suffolk County, unlike Nassau (because of the Town of Hempstead), received over $200 million from the federal government in stimulus to maintain services so they're in better shape than they would have been otherwise.

Alan Belniak:

This next question is from Barbara Ransom. I'm hearing a lot of revitalization cooperation with government, but where are the real tangible ideas about small retailers coping during this pandemic and what does the future hold for them?

Gary Lewi:
Your county planners want to take a run at that I'm sure. There have been some discussions in your respective offices regarding Main Street. Any observation from our county colleagues?

Sean Sallie:
I can speak to the some of the policies that the county has instituted to help retailers and restaurants cope during the during the pandemic. We’ve been expediting road closure permits for businesses to be able to set up outdoors. That program will continue. If restaurants and retailers have figured out ways to accommodate outdoor seating, we're going to continue allowing them to operate. Those are the sort of things we will be announcing very shortly. We will be announcing a program to use federal pandemic funds to support local retailers and businesses for certain expenses. I don't have all the details so I don't want to I want to misspeak, but please pay attention for that announcement very shortly. We're trying to be as proactive as possible. Our open streets program was launched back in late May/early June just as restaurants were starting to reopen.

Don Clavin:
We focused on partnering up the county with villages. We created the ability for these restaurants of any size to have outdoor seating. All they had to do is submit an application and there was no fee applied because we knew that they were going to need this extra space for customers and it's worked out great. We've actually now amended our town law to provide, within the social distancing guidelines set forth by the governor, the ability to operate outside with heating. We've also included houses of worship to give people the ability to engage not only in their faith, but with the businesses. We teamed up with Nassau County and the IDA for $2 million to get PPE kits to small businesses. We expanded that in the Town of Hempstead and Mayor Kennedy was great about it as well, and teamed up with all of our villages. In the unincorporated hamlets we were giving PPE supply kits also, in the amount of about $500 worth of materials, to every business, both large or small. We're literally walking them up the streets targeting the areas that have been the hardest hit during this pandemic; Hempstead, Roosevelt, Uniondale and the Five Towns. Lastly, we're just about to announce a major investment in getting residents to support local businesses with a heavy advertisement campaign, reminding residents that small businesses have been here during the pandemic and will need support. We hope to encourage folks to shop locally, eat locally, work out locally. We need to focus on supporting these local businesses. We’re trying to do everything we can, at our local level, with the funding we receive. The one thing I always say to people is when people bring an idea to us, we pay attention. Restaurants, in particular, have been very aggressive on giving us solutions. We want to get out of their way. The other thing government needs to do is to get out of people's way. We don't want extra fees. We want businesses to survive. That should be the focus is letting business thrive by themselves.

Alan Belniak:
Great. I don't have another hand raised at the moment. So, I'm going to move on to our text-based Q&A. Next question comes from Ron. Can you speak to the irony wrapped in a catch 22 which is that school districts create the biggest pushback against density which creates economic viability?

Rich Guardino:
We've done two studies, one in Patchogue and one in Farmingdale, and we took a look at what the actual enrollment in the schools was as a result of multifamily development. We looked at it from two perspectives, one using a formula developed by Stony Brook and Rutgers and one actually going into the community, talking to the developers and the school superintendents. We found that in over 700 units in Patchogue, there were 40 students out of 700 multifamily units, and in Farmingdale, I believe there were 20 students out of 230 units. The net impact to the school districts was a surplus of over $3 million dollars in Patchogue and over $1.3 million dollars in Farmingdale.

One of the things that happens when people bring these objections is they come in and say, it costs us $25,000 to pay for the education per student in a school district, but when you have these incremental increases in school aged children, it's nowhere near that much. It might be $4,000-$5,000. If it's a special needs student, it might be $8,000. Regardless, when you do the actual analysis, it's a net plus to the school districts to have multifamily. We're going to continue these studies. Todd Poole is working in communities, both in Nassau and Suffolk, continuing that analysis to look at what the multifamily housing impacts actually are in school districts and what the net revenue is in school districts.

John Cameron:
Thank you. I would like to add something to that. What Rich Guardino, former Supervisor of Hempstead, just said is very important and very valuable. As I was sitting here, I'm thinking that school districts ought to be required to do the same type of analysis when they talk about impact of students, under a penalty of law. The should be mandated to determine the incremental costs and the impacts. What I found over the years is that in some school districts, there's actually been declining enrollment. But what the superintendent and school board is more concerned about, is having to rezone the elementary school kids. They are worried about dealing with the political fallout that they will face from students whose brother or sister is now going to be going to a different school than then the older students might have gone to because of rezoning and better allocation of students with the classrooms that are available within a school district.

Gary Lewi:
We need to do a four-hour program on ideas. That topic is another lengthy symposium. Alan, what do we have? It's 11:36. I know after this Q&A there is other business to go over.

Alan Belniak:
Rich, if you can let me know at what point we want to move on that would be great. Just as a point of order for everyone else, I want to let you know all the questions are coming in and we will be able to capture an archive of those. The next question comes from Tori Parrish. Tori asks, can the county officials talk about what the retail sales tax impact of the pandemic has been on their respective counties?

Sean Sallie:
I can say that there is information that has been released. It's public information in terms of the sales tax hit and the projections for Nassau is in the hundreds of millions. Three hundred million plus was an estimate from this past summer. It was contained in the Nassau/Suffolk COVID Pandemic Economic Impact report. I'd have to get back to you with who I could put you in touch with to get that information.

Sarah Lansdale:
I'd say the same. I can certainly put you in touch with folks in our budget office to get you the specifics, but it's all public information.

Alan Belniak:
Thank you. A question from Miranda: What do counties and developers concretely plan on doing for the next two years or as COVID evolves? All of you mentioned theoretical uses for existing retail space. Is anything concretely in the works? How are you planning on utilizing space formerly occupied by retail?

Jonathan Cohen:
For the most part, our existing portfolio on Long Island is fairly well stabilized so we don't have anything directly in the plans for our existing portfolio with the exception of potentially looking at the theatre industry and the restaurant industry, which have both been hit hard. In a couple of instances, we're entertaining the idea of repositioning to other retail use in both locations. Retail/distribution is a potential alternative use for us and we're obviously looking for other growth opportunities. Within the retail sector, we are looking at taking assets that can be repositioned for all the uses outside of retail.

Larry Rose:

That's a great question. I think that what you'll see more of moving forward is better use of open space. You're going to see more outdoor seating and wider sidewalks. For the project that I'm working on, and in Hicksville for Seritage, we actually designed very large sidewalks to be able to accommodate more outdoor activities. I think you'll see more and more of that on Main Streets.

What's kind of interesting from a retail development perspective, the last several years as in person apparel sales started to decline with the ability to purchase online, the idea of experiential development has increased. Entertainment uses like a Dave and Busters became more popular because those were more what I'll call internet proof. The irony of COVID is the sub-sector of retail that got hit the hardest was experiential. All of a sudden, no one is going to a movie theater or a Dave and Busters because you couldn't congregate in places. Those were the uses that had been seeing the largest growth over the last few years from a retail development perspective. Before the pandemic, more people were eating in restaurants than going grocery shopping. I think that will come back.

Gary Lewi:
Thank you. We're about 17 minutes out if there's administrative work for the Council.

Alan Belniak:
Mr. O'Neil, I'm going to send a command for you to open your mic and when you do the floor is yours.

Trustee O'Neil:
Good morning. I'm in the village of Amityville. We just had the Village by the Bay 112 unit complex and the transit oriented district ribbon cutting the other day. They are a third full already and we have another complex being developed in the middle of town. Obviously, with the pandemic we've seen some stores closed, but there had been very high levels of stores within the village. So, we have this this resurgence of almost 500 plus units that will be online within the next two and a half to three years and I'm looking for advice to try to reach out to small businesses and let them know that there are opportunities abound within the village. I would like to help best position the village to attract those types of businesses.

Gary Lewi:
Sarah, this is inside your jurisdiction, would you like to comment?

Sarah Lansdale:
Sure, I would say that the County can certainly assist in helping you reach out to businesses. I think one of the best things to do is put together a one pager about the amenities in the villages, the demographics and to begin to outreach to the businesses that you're hoping to attract. The County certainly can assist in securing some of that information for you. Thank you.

Alan Belniak:
Legislator Hahn asks: The residents in the Town of Smithtown, during their master plan process, said they would like to see multifamily replace anchor tenants in the Smith Haven Mall if the anchors like Sears and JC Penney were closed. Do you think that multifamily is more palatable to the communities if it is planned in a recycle retail project?

Jonathan Cohen:
Earlier, Larry mentioned residential being by train tracks as ideal. I also think that the redevelopment of malls will become towns in themselves and they should have residential, work, dining all enclosed in a finite location. I do think it is more palatable to have mixed use to include residential than having residential scattered elsewhere. So, I do think communities should be more receptive to it.

Alan Belniak:
The next question is from Gwen O'Shea. Gwen asks: Any thoughts on state legislation/mandate that requires inclusionary zoning in all municipalities as a way to address the critical need of diversified housing options?

Pat Halpin:
Not sure what that means by having inclusions on it. We do know that the state legislature (actually was then former Assemblyman, now state comptroller Tom DiNapoli) did pass the law requiring at least a minimum of 10%. I think that time will tell. I know that there would be real pushback because we are a home ruled state from the localities. Frankly, I think our efforts would be better utilized if we focused on what's doable.

I was just thinking about what Mr. O'Neill from Amityville said. It's commendable to note that steps were taken and the developments were built. It's not just turning on a switch. They've been working on this for 10 years and now it's coming to fruition. We will get out of this pandemic, especially now with the great news about vaccination. So, that downtown is going to come alive and those stores and businesses that were struggling will come back. I think Amityville is an example of what happens when a local government decides that they are not just going to go along with the status quo, but instead take some deliberate actions. They've got millions of dollars of investment in that property. The old Brunswick property has been sitting there for years and they had the foresight to approve all the entitlements and it's going to be built. They're in a great spot and the only thing I can urge is that all of the municipalities and others that are thinking about it please note that this pandemic is at an inflection point. It's an opportunity for us to make those kinds of changes. In case you didn't notice, behind me is a book called epidemics and society. This goes back to the bubonic plague. When it comes to pandemics, it takes about 7-10 years to really get back to where we were. Now, we fortunately have vaccinations and things are happening that are going to compress that time, but we are going to come back and we're going to come back stronger than ever. So, take advantage of this opportunity to set in place the statutory entitlements that give developers confidence that if they invest, it can happen. This is happening at the Hub and in Hempstead.

Michael White:
One comment on the last question. On the issue of the inclusionary zoning, we worked about a dozen years ago when I was working with the Planning Council, as well with the Regional Planning Association, Nassau and Suffolk Counties, to try to move a bill in the state legislature on inclusionary zoning. The key to that was looking at the fact that you need to get support for it in terms of incentive money for planning areas that might be workable for the zoning, funding for the infrastructure and infrastructure to support that kind of zoning. There's really not an impact on school districts. One of the elements of that bill was to actually fund a gap in the differences between what a school district might be forced to pay because of upzoning. So, I think it's an opportunity that could come back, but I wanted to point out that we had been looking at that and it was not unnoticed.

Larry Rose:
I just want to make one point, kind of answering the question that I think Mr. O'Neill from Amityville had that Pat touched on, which is just to kind of manage expectations when you talk about Main Street retail, and this is kind of true for any neighborhood. The tenants that go into those locations tend to be what I'll call mom and pop retailers. You're not necessarily getting national retailers, you're getting people that have one store where they're opening up a restaurant and those users typically want to walk the space that they're renting. So whereas for major developers, we may meet for years, start a project that takes years and for that you're sending out that leasing plan, a year and a half to two years before you put a shovel in the ground and you're getting commitments from national retailers. For mom and pop retailers, they literally want to walk through the space. So you know if you're saying that you're multifamily which is in your downtown is going to take another couple of years, don't be surprised if that has to be built before you start getting real retail interest in your main street. Don't take it as a sign that there is not interest in your retail on your main street, it's just that people are going to want to walk in and touch it before they sign a lease. I just want to manage your expectations. Don't feel that you're not doing something right because you haven't gotten interest yet. Small business owners are focused. They're looking one day at a time. They're not looking two years out.

Alan Belniak:

We'll open the phone line back up to Marguerite Kohler. Marguerite, I'm going to send a command to you to open your mic and ask your question.

Marguerite Koehler:
My question goes back to transit considering that malls on Long Island are now ripe for development. The malls are currently surrounded by parking lots. How can we start to think about coordinating our transit choices to allow for more choice and to help guide development to connect to some of these smaller villages?

Jonathan Cohen:
When we developed the Deer Park Outlet Center, we created a Jitney, if you will, to shuttle to a parking field that was close to the local train station. We facilitated the transients coming from rail to the development and we worked very closely with the town of Babylon and the MTA at the time to facilitate that. I think it works quite well.

Alan Belniak:
With that, we do still have a couple questions in the open text Q&A. We will save those and share those with the panel. I will hand it back to Rich and John.

John Cameron:
Thank you Gary and the members of the panel. I think it was very informative. We had many attendees today. We have discussed what is both an opportunity and a challenge and it's going to take a collective effort if we're going to be successful in repurposing these retail spaces. I'll turn it over to Rich for your closing comments.

Rich Guardino:
Thanks John, Gary and all the members of the panel. I thought we had a great discussion this morning. I want to take this opportunity to thank all the Council members. We realize you are all volunteers and appreciate the time that you put in on a regular basis to work with us.

Suffolk County has requested a letter of support for the model code. I had circulated it to all the members of Council. If you have any comments or suggestions with regard to the code, please let me know. We would like to support Suffolk County as they move ahead with their model code. For any of the attendees, if you're interested in having a copy of the code, you can email us at info@lirpc.org and we'll make sure you get a copy of the code. We would be delighted to take any comments as well.

Just briefly, Todd Poole presented the PowerPoint presentation on land use impacts post COVID that was given at our last meeting at the Hofstra land use training program for municipal planning and zoning officials and it was really well received. The presentation was also given to the Suffolk County Planning Commission. As I mentioned earlier, Todd continues to do his work looking at multifamily housing impacts in school districts and communities both in Nassau and Suffolk. At the same time, he's looking at multifamily housing parking requirements and what the actual usage is so that we can get some recommendations out on that as well.

I also wanted to mention that on Monday the LIRPC launched our STEAM challenge. The Science, Technology, Engineering, Art and Math (STEAM) Challenge for students is an opportunity to help address the region's nitrogen pollution problems. The challenge is perfect for students working collaboratively, in person or remotely, enabling anyone to participate. This is the second time we've done the STEAM challenge. It's known as the Long Island Water Quality Challenge and empowers middle and high school students to design projects that can reduce nitrogen pollution on their own school grounds. We will have a panel of experts evaluate them and will have award ceremony. This past year, we're looking to provide funds to two of the winners so they can actually implement the projects that they came up with on their school grounds. The Challenge is open to any state accredited educational institution in Nassau or Suffolk, serving the grades six through twelve.

Finally, I want to mention to all the members of the Council and our attendees, our Water Quality Monitoring Program, it's a partnership with Hofstra University which we started in 2019, is ongoing. As you know, we extended that contract and they're out there doing it now. We're getting baseline reports as to the water quality in the south shore estuary. I think it will be very important as many of the infrastructure projects that we've been talking about for a long time take place in the estuary. That completes my report. Thank you.

John Cameron:
Thank you very much, Rich. Any other comments from the general public will be tabulated and then we can respond to those. That being said, we have a motion to adjourn.

Motion to adjourn. So moved. All in favor.

Everybody stay well and stay safe. We'll see you next month. Thank you.