

## Catapano, Tony

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**From:** Catapano, Tony  
**Sent:** Thursday, September 17, 2020 11:03 AM  
**To:** 'plu200uadebbie@optimum.net'  
**Subject:** RE: HARTZ MOUNTAIN PROJECT ( old Newsday property in Huntington)

Got it rec'd. Thanks. FYI – Hartz today is not being considered for a final approval. The agenda item is for a full inducement resolution since the Town has completed the environmental review process. The IDA Board approved a preliminary inducement in May 2019 subject to the environmental being completed. The IDA still has to conduct the public hearing for the project and then it is presented again to the Board for final approval vote at a future IDA Meeting. Thanks, Tony

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**From:** plu200uadebbie@optimum.net [mailto:plu200uadebbie@optimum.net]  
**Sent:** Thursday, September 17, 2020 10:57 AM  
**To:** Catapano, Tony  
**Subject:** HARTZ MOUNTAIN PROJECT ( old Newsday property in Huntington)

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Dear Suffolk County IDA Members,

I am corresponding to you my concern over the way Hartz Mountain has conducted themselves in building this project. they are not using local labor and have not responded to use local labor for trhis project. , PERMITS have not been secured before work started. The town of Huntington had to shut them down. I am requesting the board not acknowledge them unless they abide by the guidelines you set before them.

Thank you,

PLUMBERS LOCAL UNION # 200

Danny Grodotzke and Mario Mattera



**LONG ISLAND FEDERATION OF LABOR, AFL-CIO**

September 17, 2020

Mr. Anthony J. Catapano, Executive Director  
Suffolk County Industrial Development Agency (IDA)  
H. Lee Dennison Building, 3<sup>rd</sup> Floor  
100 Veterans Highway  
Hauppauge, New York 11788

Dear Mr. Catapano,

I am writing on behalf of the Long Island Federation of Labor and its 250,000 members in Nassau and Suffolk Counties regarding IDA consideration of tax benefits for Hartz Mountain projects in the Town of Huntington.

It is our understanding that the meeting of the IDA on September 17, 2020 will not take final action on the applications from Hartz Mountain. However, we ask that you consider several points before moving forward to award any benefits.

Hartz Mountain has taken no steps at all to employ the local workforce which is represented by the unions affiliated with the Building and Construction Trades Council of Nassau and Suffolk Counties. The company has not participated in any meetings with the Building Trades to discuss that possibility. In fact, in completing demolition work on the site in Melville, the company used an out of state contractor in contradiction of their commitment to utilize local labor and contractors. Even more disturbing is the company's violation of a stop work order from the Town of Huntington which arose from their unsafe procedures with respect to the demolition, including their handling of asbestos.

This is not the sort of developer that should be granted benefits at the public's expense.

When awarding our tax dollars to developers, the IDA should support companies that hire local contractors, pay our local workforce good wages and benefits, and make our towns more prosperous. Sound investment supporting high road economic development brings money back into our local communities and supports schools, public safety, parks and other town services.

Hartz Mountain has made clear it will not engage with local unions to ensure a well-paid workforce. It is obvious from their actions that they will take money out of our community rather than bringing prosperity back in.

These are significant community issues, not just the concerns of our building trades unions. We ask that the public be given adequate notice of any final disposition of the Hartz Mountain application. To do otherwise undermines public trust in the IDA's objectives.

Thank you for your consideration.

Sincerely,



Roger Clayman  
Executive Director



# Building and Construction Trades Council of Nassau and Suffolk Counties

**Matthew Aracich, President**  
John Shepard, Secretary Treasurer

**Stephen Flanagan, Vice President**  
William Hill, Recording Secretary

Arthur Gipson, Sergeant at Arms  
Trustees: Dante Dano, John Cush, Danny Grodotzke

September 17, 2020

Suffolk County Industrial Development Agency  
H. Lee Dennison Bldg, 3<sup>rd</sup> FL  
Hauppauge, NY 11788

Dear Mr. Catapano,

The Building and Construction Trades Council of Nassau and Suffolk Counties has historically played a critical and stabilizing role in the Long Island construction industry, establishing uniform standards and safety protocols resulting in leveling the competitive bid process. Our Union Members have proudly been labeled "The anchor of the middle class" by providing sustainable wages and benefits so that each member is afforded the ability to retire with dignity and remain in their communities.

However, in the last 20 years the industry has undergone a dramatic transformation. There has been a significant drop in construction wages, growth of anti-union forces, changes in labor force demographics and a shift towards construction management that fostered the emergence of an underground economy. We analyzed how Suffolk County's economy was affected by these changes and made changes on our own to ensure that the Building Trades' model continues to be viable on Long Island. We have been successful in adapting to a new market and our methods are very effective in securing more market share.

The problem that we are experiencing today is that seven (7) of the eight (8) IDA's on Long Island continue to court companies and award tax relief while developers continue to use out of state or non-local contractors. These situations ultimately hurt the local economy and use the tax dollars from local projects to subsidize a neighboring state or town economy. We are aware that for every \$1 spent using prevailing wage will generate \$1.50 in economic activity for the local economy. Suffolk County derives the bulk of its revenue stream from sales tax, and that money is used to pay the County's expenses.

The Hartz Mountain project is of particular concern to the Building Trades Affiliates. The reason for our concern is much of their business model has been described in the previous paragraphs of this correspondence. Hartz Mountain is already showing how sincere they are to helping the community, and I am relatively certain that their explanation for not using local union labor is that local prices were too high. As you know, this company has already been issued a stop-work order for their project by the Town of Huntington. Prior to the stop work order, our leaders have contacted the Town on numerous occasions and expressed their disappointment about how the contractor on site was clearly not in compliance with the law. That is just one of the reasons that their IDA award should be rescinded.

Affiliated with Building and Construction Trades Department AFL-CIO  
300 Motor Parkway, Suite 200, Hauppauge, New York 11788 • (631) 951-3315/16 • Fax No. (631) 951-3317  
nsbctc@optonline.net

To be clear, the Hartz Mountain Group has met with me on one occasion. It was weeks prior to having the permit revoked and from that time there has been no further communication on ensuring equity for the local workforce. Local workers cannot spend promises and they need some assurance that Hartz Mountain will abide by the stipulation regarding local hire practices, as required by the Suffolk County IDA. Today we question the decision by the IDA to list it the agenda for final inducement.

We know that we can be competitive if given the opportunity to speak with them directly and make things work for all parties. The new Building Trades model has been effective in convincing a local developer in the city of Long Beach that has just been awarded an IDA benefit and will use our workers. It is a model that provides clarity with true transparent bidding, competitiveness and honest dialogue that translates into a partnership that works. We are confident that if a contractor or developer intends to build on Long Island using anything less than a similar model, their project is either too risky to fund with IDA benefits or they are too greedy and don't really need your funding stream to build their projects. Developers simply see the IDA Award as free money and why not take it if it is readily available and requires attending just a few meetings. Let us see what the math says: divide the amount of the award by the number of hours you had contact with them and see how much \$ that is per hour.

We formally ask that you either rescind or table this award until further communication has been established between Hartz Mountain and the Building Trades.

Respectfully,

Matthew Aracich

President