

August 16, 2024

TO: Kathee Burke-Gonzalez

RE: Selection Process and Economic Analysis for 350 Pantigo

Dear Members,

Over the 2 ½ years of perfecting the workforce idea there are two issues that seem to linger in the background, casting doubt on the overall project.

Who gets these units?

And are there forces at work undisclosed?

So, I am going to solve these issues as transparently as I can.

SPONSORS/OWNERS

As unnecessary as this should be to state after all this time, I am the originator of this process and the main driving force. I have one partner who is a concerned local businessperson who believes in the overall concept as much as I. He does not own a waterfront restaurant in Montauk. We are represented by Chris Kelley. That's it. No other person or entity is a part of this project.

350 PANTIGO SELECTION PROCESS:

We will set aside 50% of the units expressly for health care professionals. These will more likely than not go to Stony Brook for their new ER but if they choose to or cannot use that many, we will look for other local health care businesses that need housing.

We will set aside 10% of the units for the local school systems. They can either buy units directly or have qualified teachers buy directly. If units are bought directly, they must be returned for resale if that person no longer holds a teaching position locally.

We will set aside 10% of the units for Town of East Hampton employees. Because we understand you are a union shop that may not be possible. I would suggest you have a lottery of potential buyers to even the field and avoid any conflict of interest/favoritism. Again, if that is possible, that person will have to tender their unit for resale if they leave Town employment.

We will do the same for the local Police Departments. 10% of the total under the same circumstances as the Town.

If the School system/teachers, Town and/or Police cannot buy units or have units unsold they will be added to the remaining 20% and sold through a traditional lottery to any qualified East Hampton business.

This selection process to tailored to this first project. If, as we expect, we will have additional projects in the future, we will alter the formula to suit the prevailing percentages of units for that project. In any case there will always be a percentage set aside for essential workers with all other units sold through lottery to local business.

I also think the following is a central benefit to the overall idea.

ECONOMIC IMPACT:

People who earn a paycheck here and live in Riverhead spend the bulk of it there. People who earn a paycheck here and live here spend the majority of it here. If 200-250 employees live at 350 Pantigo and earn an average of \$50,000 a year that is potentially \$10 million dollars of discretionary income to be spent in East Hampton.

In addition to the decision on affordability of the units (cap of CPI + 2 annually) these are the essential guardrails you need to ensure this project is open to the bulk of the Town of East Hampton employers and is an economic asset to all.

I look forward to seeing it discussed at the 8/20 work session.

Kirby Marcantonio

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