

Governor Cuomo celebrates Phase 1 of Ronkonkoma Hub groundbreaking; \$650 million development supported by Empire State Development

December 05, 2017 - Front Section

Brookhaven, NY Governor Andrew Cuomo celebrated the groundbreaking on Phase I of the new Ronkonkoma Hub, a major mixed-use development. The \$650 million development includes 1,450 residential units, 360,000 s/f of commercial space, nearly 200,000 s/f of retail space and 60,000 s/f of hospitality and exhibition space. The project is supported by a \$55 million Empire State Development investment, which will lay the groundwork for the 53-acre project, including building three new parking facilities and essential water and sewer upgrades.

Phase I one of the project is expected to create 1,000 construction jobs, with 11,000 jobs expected to be created over the course of the project and 2,700 permanent full-time jobs to be created once the development is completed. The project is located near Ronkonkoma Station and will serve as a catalyst for future growth as the \$377 million Double Track project nears completion in 2018. The Ronkonkoma Hub complements the first major modernization of the Long Island Railroad since 1945.

"The Ronkonkoma Hub builds on our transformational investments in the LIRR and furthers our efforts to develop a new New York and a sustainable Long Island," governor Cuomo said. "This redevelopment at a major commuter crossroads will create a new commercial and residential complex, boosting the economic livelihood of Brookhaven and its surrounding communities for generations to come."

The project is expected to cost \$650 million and will be built in four phases over the next seven to ten years. Once completed, it will be one of the most exciting transit-oriented developments on the East Coast, transforming a blighted area adjacent to the busy Long Island Rail Road Ronkonkoma Station, into a new live, work and play destination just minutes from MacArthur Airport. The state has committed \$20 million to Suffolk County to connect MacArthur Airport to the LIRR Ronkonkoma station.

The site required infrastructure upgrades like sewer improvements and parking facilities for the project to advance. Empire State Development is providing up to \$50 million in grant funding for multiple parking facilities that spans more than eight acres and supports six buildings, four roadways and a village green. The Long Island Regional EDC designated elements of the project as priority projects, with \$5.05 million in Regional Council awards for sewer upgrades.

These investments will take up to three years to complete and are critical to the overall multi-phase development a reality.

The project has also received significant support from Suffolk County, which is making a \$27 million investment in sewer infrastructure while providing JumpStart Suffolk awards to the Town of Brookhaven totaling nearly \$4 million. Additionally, the Brookhaven Industrial Development Agency has offered a sales tax exemption and 25-year PILOT agreement for Phase I of the project.

The project is located steps from Ronkonkoma Station, which is currently undergoing renovations as part of the LIRR's Enhanced Stations Initiative. The Ronkonkoma Station will receive \$5.9 million in station upgrades including digital interactive signs, LED displays, benches with charge ports, art, free customer Wi-Fi, and stamped concrete paving. Ridership on the LIRR Ronkonkoma Branch has doubled over the last 25 years, growing in popularity since the line was electrified in 1988. After decades of talk the double track on the Ronkonkoma line is under construction, with the state announcing last year the acceleration of the project for completion in fall 2018.

The Ronkonkoma Hub complements the \$5.6 billion transformation of the Long Island Rail Road to strengthen the region's transportation infrastructure and usher in a new era of economic growth. After 70 years of stagnation, 100 transformative LIRR capital projects are moving forward, including seven bridges, seven overpasses, widening stations, new parking facilities, 20 miles of new track - modernizing transportation across the region to provide a state-of-the-art system for Long Island. The total transformation is part of New York's \$100 billion infrastructure program, the largest in the nation.

Senate Majority Leader John J. Flanagan said, "Economic development has always been one of the most essential issues at all levels of government, and in the Senate, we have continually met this issue head-on to create sustainable jobs and improve the quality of life on Long Island and across the state. I welcome and applaud the critical investments made by the private sector, and state, county, and local governments to break ground today on the state-of-the-art new Ronkonkoma Hub. I thank my partners in government, especially Senator Croci, for their outstanding work in bringing this concept to reality. Today's announcement is another step forward in building an economy and infrastructure for New York's future."

In 2011, the Town of Brookhaven, working with the Town of Islip, sought interest from developers in the redevelopment of blighted sites around the Ronkonkoma Train Station. The Town of Brookhaven selected TRITEC Real Estate Company, LLC, as Master Developer in October 2011.

Robert Loscalzo, TRITEC Real Estate Company Chief Operating Officer, said, "We are thrilled to be starting construction on the first phase of this regionally transformative transit-oriented-Development. We are very thankful for the critical support we have received from Governor Cuomo, Empire State Development and the Regional Economic Development Council that has made this project a reality."

Empire State Development President, CEO & Commissioner Howard Zemsky said, "Under the

leadership of Governor Cuomo, strategic investments are being made across New York State to support redevelopment and revitalization. The Ronkonkoma Hub will transform a once-blighted area into a community center welcoming the next generation of New Yorkers to live and work, encouraging sustainable job creation and economic growth."

Long Island Regional Economic Development Council Co-Chairs Stuart Rabinowitz, Hofstra University President, and Kevin Law, Long Island Association President, said, "The Long Island REDC saw the potential for the Ronkonkoma Hub as a transformative project with wide-reaching economic development implications, and we are excited the project is moving forward. We would like to thank Governor Cuomo and Empire State Development for their support and investment in Suffolk County."

Suffolk County Executive Steve Bellone said, "The Ronkonkoma Hub serves as a 21st century model for the type of economic development projects that will reverse the brain drain on Long Island. This also represents an historic milestone in Suffolk County that lays the foundation for an innovation economy, which will attract good-paying jobs, affordable housing, walkable downtowns and a larger tax base. Suffolk County invested millions into this project, and I thank Governor Cuomo and all local stakeholders that provided the necessary resources to make this day a reality."

Brookhaven Town Supervisor Ed Romaine said, "The Ronkonkoma HUB project is the antithesis of suburban sprawl, instead offering transit oriented development. I want to give credit to former Supervisor Mark Lesko for initiating this project. I would also like to thank Governor Cuomo and Suffolk County for working together with the developer and the town to move this project forward."

Town of Islip Supervisor Angie M. Carpenter said, "Governor Cuomo has long been a friend and ally of Long Island, making unprecedented investments to build our communities up and make our economy strong. The Ronkonkoma Hub is the latest exciting project that will transform our region and revitalize the community. This Hub will capitalize on the critical upgrades of our region's transportation networks and the water and sewer infrastructure to help push our economy even higher. I am proud to work with Governor Cuomo and my colleagues in state and local government on this critical project."

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540