



## **Nassau County IDA gives preliminary approval for economic development incentives**

May 05, 2020 - Long Island

2 Jericho Plaza

Mineola, NY According to Richard Kessel, chairman of the Nassau County Industrial Development Agency (IDA), the agency's board has given preliminary approval to a package of economic development incentives that will keep the headquarters of 1-800-Flowers.com, Inc. on Long Island and retain 375 jobs in Nassau County.

The preliminary benefits package, approved at a videoconference meeting of the IDA Board held on April 7th, is subject to a review by the IDA staff, as well as a public hearing and a final authorizing resolution at a later date.

1-800-Flowers.com, Inc. indicated in its IDA application that it was weighing a move out of New York, but would prefer to lease and renovate 96,867 s/f of office space at 2 Jericho Plaza. It said the benefits are necessary due to the costs associated with the build-out and the tax burden of the new space.

"This is a globally recognized, blue-chip company with its headquarters in Nassau County and it has been a major economic contributor to the region since its relocation to Long Island in 1990 and its current location since 2005," said Kessel. "It is important to retain companies, such as 1-800-Flowers.com, to maintain the economic growth of the county and ensure continued success.

The company, which currently has 377 full-time employees and 17 part-timers, estimates the cost of its planned renovations at \$10 million. The project is expected to create 12 construction industry jobs.

The company is seeking sales-tax exemptions of more than \$500,000 and a 15-year PILOT (payment in lieu of taxes) agreement that would keep property taxes at their current level for 10 years followed by five years of 1.81% escalations.

1-800-Flowers.com, Inc. currently leases 80,500 s/f of office space at 1 Old Country Rd. in Carle

Place, where its lease is nearing expiration. In its application, the company said ownership changes in the building presents functional challenges to continuing its operations without a substantial investment.

The company began operations in 1976, when James McCann, its founder and current executive chairman, acquired a single retail florist in New York City, which he subsequently expanded to a 14-store chain. Thereafter, the company modified its business strategy to take advantage of the rapid emergence of toll-free calling. The company acquired the right to use the toll-free telephone number 1-800-FLOWERS, adopted it as its corporate identity and began to aggressively build a national brand around it.

2 Jericho Plaza is a three-story, multi-tenant, 353,798 s/f class-A office building. It was developed on the site of a former sod farm in 1980 by the Chasanoff family, which sold the class-A building and its neighbor, 1 Jericho Plaza, to S.L. Green and Onyx Equities in 2007. Taconic Capital and Triangle Capital Group have since joined ownership.

The NCIDA is a public benefit corporation of the State of New York and is funded 100% by the transaction fees paid by its applicant clients, not through taxpayer dollars. The mission of the NCIDA is to support and promote economic development and employment opportunities in Nassau County by attracting new companies and industries, as well as assisting current businesses to grow and expand.

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