



Hempstead IDA approves economic incentives package for Brookfield Asset Mgmt.

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Garden City, NY Frederick Parola, CEO of the Town of Hempstead Industrial Development Agency (IDA), said the agency gave final approval to a package of economic incentives that will be used by global real estate giant Brookfield Asset Management to build a 102,600 s/f distribution center at Mitchel Field.

The IDA, meeting on May 19, approved the package of financial incentives to the Brookfield affiliate, BSREP III 107 Charles Lindbergh Boulevard, LLC, which plans to construct a logistics complex for a future tenant, possibly a pharmaceutical company or an e-commerce distributor, at the site close to Nassau County Community College.

Brookfield paid \$13.2 million in July 2021 for the 6.5-acre site and a now-demolished 89,464 s/f office building at 107 Charles Lindbergh Blvd. The cost of the entire project is \$33.79 million.

Brookfield said it does not have a tenant for the proposed distribution center. The project will provide additional revenues to taxing jurisdictions in the region and create at least 50 new permanent jobs and 130 construction jobs. Taxes on the property, now \$597,880 (\$404,629 on vacant land), would rise to \$739,909 at the end a proposed 10-year PILOT (Payment in Lieu of Taxes) agreement.

Dr. Shahrokh Abiri, a radiologist and real estate investor who lives in Old Westbury, sold the property, an office building that formerly housed the IRS, to Brookfield in July 2021. The building, since demolished, had been vacant since the IRS moved to a facility in Bethpage in 2012. The building was constructed by Reckson Associates in 1984.

The site has an underlying ground lease with Nassau County.

“This project will bring new jobs and economic benefits to the town and the local community while replacing a vacant, unproductive, blighted property with one that will contribute to our economy,” Parola said.

The Town of Hempstead Industrial Development Agency is a public benefit agency with the power to help qualified businesses relocate, expand and build in the Town of Hempstead, New York’s largest town. The Town of Hempstead Industrial Development Agency is authorized by New York State to promote economic development with financial assistance and tax relief. The town is committed to responsible development, emphasizing its stable tax base, highly educated work force and access

to major airports, New York City and world markets. IDA assistance has resulted in more than \$2 billion in project financing and has led to the creation or retention of 11,000 permanent jobs to benefit the town's economy.

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