



## **Hempstead Industrial Development Agency reauthorizes incentives package for developer of \$212 million 111 Hempstead Tpke. apartment building**

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Hempstead, NY Frederick Parola, CEO of the town of Hempstead Industrial Development Agency (IDA), said that the agency has reauthorized an economic incentives package for a developer planning to construct a transit-oriented apartment/retail complex on a well-known, but blighted site in West Hempstead.

The IDA re-authorized benefits for 111 Hempstead LLC, an affiliate of Commack-based Heatherwood Luxury Rentals LLC, which plans to construct the apartment buildings at 111 Hempstead Tpke., at a cost of \$212 million. The buildings would total 481,089 s/f. Heatherwood's plan calls for 428 apartments, 5,575 s/f of retail space in two four-story buildings, and parking for 740 cars.

The project will generate hundreds of construction jobs, add much-needed rental housing and boost tax revenues for various taxing jurisdictions. The project previously was authorized in October 2021, but has since been redesigned to two buildings from three and, as a result, needed to be reauthorized.

The project has received town approvals. The project is expected to generate 250 construction jobs and seven permanent jobs. Construction is expected to begin in January, following the demolition of the existing building, and be fully completed in 2027.

The 9.4-acre site of the proposed project, 0.3 miles from the West Hempstead LIRR station, is a

three-story, 106,652 s/f building that previously was home to an S. Klein department store from 1955 until 1974 and after that a branch of E.J. Korvette, the discount chain; and the now-shuttered National Wholesale Liquidators and other retailers.

“This is an excellent ‘good growth’ project approved by the IDA,” said Parola. “It will replace an eyesore — a dilapidated building, bring much-needed rental housing to the town close to public transit, create jobs, and generate increased revenues for our taxing jurisdictions.”

The developer was granted a 20-year PILOT agreement with the IDA under which it would pay an average of \$2.1 million each year to various taxing jurisdictions. Annual PILOT payments would start at \$771,088 – the current taxes on site – and after a three-year freeze would increase over the balance of the PILOT to \$5.312 million. Heatherwood also is seeking an exemption from the mortgage recording tax and sales-tax exemption for construction materials.

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