

**AVR-SP Brookhaven JV LLC**

**One Executive Blvd.**

**Yonkers, NY 10701**

July 30, 2021

Frederick C. Braun III, Chairman  
Town of Brookhaven Industrial Development Agency  
c/o Division of Economic Development  
One Independence Hill  
Farmingville, NY 11738

Dear Chairman Braun:

The attached application for IDA benefits is being submitted on behalf of AVR-SP Brookhaven JV LLC for the Board's consideration.

AVR Realty Company and Scannell Properties have entered into a joint venture to develop approximately 48 acres of vacant land zoned L1 Industrial within the existing Research and Development Industrial Park located on the southeast corner of the Long Island Expressway and the William Floyd Parkway in Shirley. This property has remained vacant and underutilized for decades and AVR-SP Brookhaven JV is proposing to construct two industrial buildings on a speculative basis in conformance with the property's L1 Industrial zoning. AVR Realty is a leading real estate development and investment firm with a national portfolio of diversified properties and 70 years of experience. AVR has successfully developed numerous projects within the Town of Brookhaven and is presently developing the 322-acre Planned Development District, known as The Meadows at Yaphank. Scannell Properties is a real estate development and investment company that focuses on build-to-suit and speculative development projects. Over the last 30 years they have successfully developed properties throughout the United States, Canada, and Europe. Together these two companies have the expertise to construct the proposed industrial buildings and market the available space to quality tenants, bringing jobs and tax revenues to the Town of Brookhaven. While the identity of the future tenants of the proposed development is unknown at this time, a Town of Brookhaven Industrial Development Agency ("TOBIDA") incentive package will provide the terms of an attractive environment for businesses to locate to this development. As businesses agree to locate to the development, the applicants will inform the TOBIDA of relevant information to satisfy TOBIDA inquiry into job creation and other economic development matters at the property.

The proposed project includes tax lots (SCTM District 0200, Section 554, Block 3, Lots 4.41, 4.45, and 4.46) having a total area of 47.26 acres. Copies of the location map and proposed site plan are attached for your convenience. The project will be constructed in phases. The two industrial buildings (150,540 SF in Building A and 250,540 SF in Building C), which are the subject of this application, would be constructed in the first phase. A mini storage facility having a floor area of 105,300 SF in Building B would be constructed in phase two and is not part of this application.

The project is in the Compatible Growth Area of the Central Pine Barrens Zone and is required to provide at least 35% of the site's acreage as retained natural open space. The site plan proposes drop curbs, bioretention swales and/or rain gardens as part of the drainage system. These "green drainage infrastructure" improvements obviate the need for a recharge basin. The applicants are also considering the installation of EV charging stations and solar panels based on tenant needs. The site is located within

the existing Brookhaven Sewer District 2. The Town of Brookhaven projected that the site could support up to 639,722 SF of industrial development based on Sewer District design data. The proposed conceptual plan gross floor area of 506,380 SF is well within the project development yield. The property is served by existing SCWA water mains, PSEG and National Grid infrastructure. While the existing RD Industrial Park is served by public roads, the internal road within the proposed development will be a private right of way that will be maintained by a private Property Owner's Association.

The project will create substantial employment opportunities during both the construction period as well as upon full build-out and annual operations. Construction costs are projected to be \$50.5 million. It is anticipated that 91 FTE jobs will be created during the construction period. Upon completion and stable annual operations, the two industrial buildings are anticipated to create employment for 60 full time workers and 20 part time workers for a total of 70 FTE jobs. These workers will not be employed by the applicant as the jobs will be created by the tenant(s) leasing the facility. As stated above, as more information is available as to the actual job creation at the property (versus projected job creation estimated now), that information will be provided to the TOBIDA. It is appropriate, however, for the TOBIDA to consider the enclosed application for approval as the benefit package from the TOBIDA will be essential to attracting businesses to the proposed development.

Presently, the applicant pays \$196,731 in annual real property taxes. Upon completion and full assessment, it is projected that this property will pay \$1,778,862 in property taxes to all taxing jurisdictions. However, this increase in tax generation can not be realized without the initial benefits requested from the Industrial Development Agency in this application.

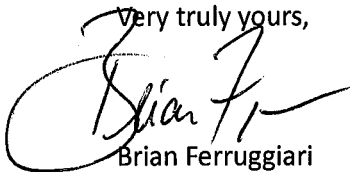
Along with our check for the application fee of \$4,000, the following documents are included with our application:

- Financial Statements for AVR-SP Brookhaven JV LLC
- Proposed site plan for the Industrial Development
- The Environmental Assessment Form prepared for the Site Plan application

Please let us know if you have any questions or need additional information to complete your review of our application.

Thank you.

Very truly yours,



Brian Ferruggiari