



October 13, 2023

Ms. Lisa Mulligan
Town of Brookhaven Industrial Development Agency
1 Independence Hill, 2nd Floor
Farmingville, NY 11738

Subject: STATION YARDS MASTER DEVELOPMENT - PHASE 2B – TOWN OF BROOKHAVEN IDA APPLICATION

Dear Ms. Mulligan,

On behalf of Ronk Hub Nova, LLC (“Applicant”), I am pleased to submit the enclosed application to the Town of Brookhaven Industrial Development Agency for the proposed Station Yards¹ Phase 2B Project (the “Project”), which is situated on approximately 3.16 acres bordered by Railroad Avenue, Hawkins Avenue, Union Street and Garrity Avenue in Ronkonkoma, NY 11779 (Suffolk County Tax Map information affixed below).

The most successful regions throughout the country will be those that are able to attract and retain a diverse and talented workforce – and diversified housing options are a critical component of that equation. However, Long Island faces an affordability crisis and is in desperate need of additional multifamily housing at all levels of the income spectrum. In fact, Suffolk County’s rental housing market represents just 19% of households, compared to the competitive markets of Bergen County, Fairfield County and Westchester County, which have 48%, 43% and 56%, respectively. Long Island needs approximately 150,000 apartments to fill that void, yet the region is only delivering a couple thousand units (at most) each year. The severe supply-demand imbalance of rental housing has direct implications on the region’s high cost of living. A lack of rental housing options hurts the local economy and threatens stagnation. With persistent low vacancy rates (an indicator of high demand), Long Island will continue to face an affordability crisis until the supply of housing is alleviated.

Recognizing the need and the desire for housing through smart multifamily developments located near train stations, the Town of Brookhaven established the Urban Renewal Plan for The Ronkonkoma Hub (“Urban Renewal Plan”) in 2012. The Urban Renewal Plan was created in order to facilitate the redevelopment of the Ronkonkoma Hub area as a Transit-Oriented Development (“TOD”) area featuring a mix of higher density residential development, commercial, hospitality, office and retail uses. The intent of the plan was to address blighted conditions identified within the Ronkonkoma Hub Project Area. To date, the Applicant (through related entities) has completed the Ronkonkoma Hub Sewer Pump Station, Phase 1 (Alston) consisting of 489 apartment units, as well as related infrastructure work throughout the Master Development area, and is nearing completion of Phase 2A consisting of 388 apartment units, 67,000 square feet of retail and 16,000 square feet of office space.

The Applicant anticipates investing over \$113 million in the next phase of Station Yards Phase 2B. The Project will incorporate the core elements of sustainable development, thoughtful land use planning, Smart Growth principles, and excellent design standards to support the Ronkonkoma community’s efforts to

¹ Station Yards is formerly referred to as Ronkonkoma Hub. These names are often used interchangeably.

revitalize its downtown into a lively walkable, transit-oriented neighborhood. The Project will accomplish the Urban Renewal Plan's goal of eliminating blighted conditions and promote compact, mixed-use development in proximity to the Ronkonkoma rail station, further enhancing the area's economic vibrancy. The overall Phase 2² community center will serve as Station Yards' core downtown, and Phase 2B will act as the fourth wall to this downtown community center and the bookend to the Station Yards Master Development. It is a crucial component of the overall development. We believe the success of our project will enhance the success of the greater community, and vice versa.

The proposed Project presents a compelling opportunity to deliver new high-quality, amenitized, professionally managed rental housing to a deep, diverse and underserved market living in the greater Ronkonkoma area. Below is a short overview of the proposed Project highlights:

- Transformative Project: The Project will be a \$113 million transformative, transit-oriented development situated within the boundaries of the Urban Renewal Plan for the Ronkonkoma Hub.
- Significant Economic Benefits: The Project will result in significant economic benefits as outlined below:
 - Construction Phase (projected economic impacts within Suffolk County):
 - Approx. 550 jobs
 - \$82.5 million in spending
 - Operational Phase / Post-Construction (projected **annual** economic impacts within the Town of Brookhaven):
 - \$5.6 million of projected resident earnings to be spent annually in the Town
- Walkable, TOD: The site is walkable to the nearly completed Station Yards Phase 2A, consisting of approx. 67,000SF of retail and employment centers. The site is located within immediate vicinity to mass transit (multiple modes of transportation, including road, rail and air).
- Significant Amenity Space: The proposed Project will provide a significant amount of first-class unparalleled amenity space for the enjoyment of the Project's residents.
 - Exterior amenity space: Includes a swimming pool, barbecue stations, fire pits, bicycle storage and repair unit, a heavily landscaped courtyard and a rooftop terrace.
 - Interior amenity space: Includes a fitness and aerobic center, on-site concierge service and a large community lounge space.
 - The Project will also feature on-site property management, covered parking, and elevator access.
- Use of Residential-Quality Products: The Project will be constructed with high-quality materials, consistent with Class A rental housing. The apartment units will be designed with state-of-the-art Energy Star appliances, stone countertops, wood cabinets, vinyl wood flooring in living spaces, washer and dryer in each unit, ample storage, tile floors in bathrooms, and approximately 9-foot ceilings.
- Environmental: As part of demolition, we will complete asbestos and PCB ballast remediation to remove an environmental hazard from the community, with the contaminated material being

² The overall Phase 2 site plan consists of Phase 2A and Phase 2B.

properly reported and disposed of at the Applicant's cost. We will install Energy Star appliances and mechanical systems to minimize energy consumption, as well as electric vehicle charging stations. We will build a 247-stall parking structure eliminating the need for asphalt surface parking, thereby reducing heat island effect (a contributing factor to climate change). Further, we have hired a sustainability consultant that will assist in ensuring this project meets LEED Gold criteria.

TRITEC is a full-service corporation that has demonstrated its dedication to delivering high-quality performance with integrity and lasting value since its inception over thirty years ago. With any questions or comments, please do not hesitate to contact me at 631-751-0300 or kelleyc@tritecre.com. We are sincerely grateful for your consideration and we look forward to the opportunity of working with the Town of Brookhaven IDA on continuing a project that we believe will generate immediate and long-term economic impact and assistance to the Town and the Ronkonkoma community, especially in light of our current economic climate.

Sincerely,

A handwritten signature in black ink, appearing to read 'K Heck', written in a cursive style.

Kelley Heck

Authorized Signatory | Ronk Hub Nova, LLC

P: 631-751-0300 | E: kelleyc@tritecre.com

Attachment:

SUFFOLK COUNTY TAX MAP NUMBER			
<i>District</i>	<i>Section</i>	<i>Block</i>	<i>Lot</i>
200	799	3	32
200	799	3	33.1
200	799	3	33.2
200	799	3	34
200	799	3	35
200	799	3	36
200	799	3	37
200	799	3	38
200	799	3	39
200	799	3	40.1 & 40.2
200	799	3	41
200	799	3	42
200	799	3	43
200	799	3	44