



Lisa M. G. Mulligan, Chief Executive Officer

October 8, 2025

TO ALL ON THE ATTACHED DISTRIBUTION LIST:

**PROPOSED DEVIATION FROM
UNIFORM TAX EXEMPTION POLICY**

Ladies and Gentlemen:

Notice is hereby given that at a meeting of the Town of Brookhaven Industrial Development Agency (the "**Agency**") to be held on October 22, 2025 at 10:15 a.m. local time at the Agency's offices located at the Town of Brookhaven Town Hall, 2nd Floor, One Independence Hill, Farmingville, New York 11738, the Agency will consider whether to approve the application of the Company (as defined below), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "**Policy**") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

Kelly Development Corp., a New York business corporation, on behalf of itself and/or the principals of Kelly Development Corp. and/or an and/or an entity formed or to be formed on behalf of any of the foregoing, including, but not limited to C and K at Cordwood Estates LLC (the "**Company**"), has applied to the Agency to enter into a transaction in which the Agency will assist in (A) the acquisition of an approximately 5.5-acre parcel of land located at Old Town Road and Terryville Road, Port Jefferson Station, New York (more particularly described as Suffolk County Tax Map No. 0200-311.00-02.00-001.000 and 002.001), (the "**Land**"), (B) the construction, equipping and furnishing of approximately 45 new senior residential rental units across multiple buildings totaling approximately 57,000 square feet of rental area, with (i) approximately 10% of such units (four (4) units) to be reserved as affordable housing for residents whose incomes are at or below 80% of the median income according to household size for the Nassau-Suffolk primary metropolitan statistical area as defined by the Federal Department of Housing and Urban Development ("**AMI**") and (ii) approximately 10% of such units (four (4) units) to be reserved as workforce housing for residents whose incomes are at or below 120% of AMI, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (the "**Improvements**"), and (C) the acquisition and installation therein of certain equipment and personal property including, but not limited to, shared common areas and other amenities and the furnishing thereof, furniture, appliances, structures, clubhouse, pool, equipment and personal property in the units (the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), which Facility is to be subleased by the Agency to the Company to be known as Cordwood Estates at Port Jefferson Station and used by the Company to provide senior housing for the residents of Port Jefferson Station and Long Island (the "**Project**"). The Facility will be initially owned, operated and/or managed by the Company.

Based upon preliminary negotiations between representatives of the Company and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption

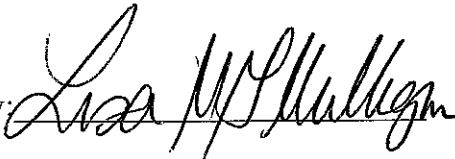
the terms of which are proposed to contain a deviation from the Policy. The Agency is contemplating a deviation from the Policy as follows: the Agency contemplates providing the Company with a partial abatement of real property taxes for a period of seventeen (17) years as provided in Schedule A hereof (the "**Property Tax Exemption**").

Thereafter, the payments would be equal to the real property taxes and assessments that would be payable as if the Facility were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to make it financially feasible for the Company to undertake the Project and the Project will positively impact the health, community, environment and economy of the residents of Town of Brookhaven.

Sincerely,

TOWN OF BROOKHAVEN INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Lisa MG Mulligan
Chief Executive Officer

EXHIBIT A

PILOT Schedule

Schedule of payments-in-lieu-of-taxes: Town of Brookhaven, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Comsewogue Central School District, Suffolk County and Appropriate Special Districts

Property Address: Northeast corner of Old Town Road and Terryville Road, Port Jefferson Station, New York

Tax Map No. 0200-311.00-02.00-001.000 and 002.001

School District: Comsewogue

<u>Year</u>	<u>PILOT Payment</u>
1	\$32,223
2	\$32,868
3	\$48,563
4	\$64,872
5	\$81,815
6	\$99,409
7	\$117,674
8	\$136,630
9	\$156,297
10	\$176,697
11	\$197,849
12	\$219,778
13	\$242,504
14	\$266,051
15	\$328,586
16	\$354,610
17	\$381,544

PILOT Payments shall be allocated among the Taxing Authorities in proportion to the amount of real property tax and other taxes which would have been received by each Taxing Authority if the Facility was owned by the Company exclusive of the Agency's leasehold interest.

All annual PILOT Payments as described above shall be payable in two equal semi-annual installments on or prior to January 31 and May 31 of each year of the Lease Term or on such other due dates as may be established from time to time during the Lease Term.

DISTRIBUTION LIST

The Honorable Edward P. Romaine
Suffolk County Executive
H. Lee Dennison Building
100 Veterans Memorial Highway
Hauppauge, New York 11788-0099
CERTIFIED MAIL RECEIPT #:
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The Honorable Daniel J. Panico
Town of Brookhaven
One Independence Hill
Farmingville, New York 11738
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Superintendent Dr. Jennifer J. Quinn, Ed.D.
Comsewogue School District
290 Norwood Avenue
Port Jefferson Station, NY 11776
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President Richard Rennard
Comsewogue School District
Board of Education
290 Norwood Avenue
Port Jefferson Station, NY 11776
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District Clerk
Comsewogue School District
290 Norwood Avenue
Port Jefferson Station, NY 11776
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