



Peter L. Curry
Partner

Direct Dial: 516.227.0772
Direct Fax: 516.336.2208
pcurry@farrellfritz.com

400 RXR Plaza
Uniondale, NY 11556
www.farrellfritz.com

Our File No.
42100/100

October 6, 2025

VIA FEDERAL EXPRESS – 631-406-4244
E-MAIL- lmulligan@brookhavenida.org

Ms. Lisa M.G. Mulligan
Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Rail Realty LLC

Dear Ms. Mulligan and Members of the Board:

I am writing in connection with the application of Rail Realty LLC ("Rail Realty") for economic assistance regarding the 74-unit multi-family rental facility located at 23-25 Texaco Avenue, Port Jefferson, New York (the "Facility").

This project received assistance from The Town of Brookhaven Industrial Development Agency (the "Agency") at the time of its initial construction. Rail Realty now seeks a new PILOT term in connection with capital improvements it is considering making to maintain the first-class quality of the Facility, while keeping the apartment rents at a level residents of the Town of Brookhaven can afford. Certain of these improvements will also benefit the new 40-unit multi-family project the principals of Rail Realty are proposing for the adjacent parcel located at 1506 and 1510-1512 Main Street, Port Jefferson, New York. This new premises is proceeding through the planning stage with the Village of Port Jefferson, and the developers will submit an Application for Financial Assistance to the Agency at the appropriate time.

Anthony J. Gitto, the managing member of Rail Realty, has been in the real estate development business for almost 50 years. He and members of his family, along with various investment partners, have developed several multi-family rental projects in the Port Jefferson area, and have received significant assistance from the Agency. The Gitto Group, the family's development arm, has also constructed, leased and managed several million square feet of retail and office properties. It has received Vision Long Island's Smart Growth Award in each of 2002, 2016, 2022 and 2025. The Long Island Business Development Council named it the Developer of the Year in 2016.

Ms. Lisa M.G. Mulligan
October 6, 2025
Page 2

Mr. Gitto also owns a property management company to manage commercial and residential properties and, together with his son Robert Gitto, a Port Jefferson-based real estate brokerage. The family is well-known in the Village of Port Jefferson and the surrounding area for the quality of its projects.

To obtain the Agency's assistance, Rail Realty proposes to rent 8 of the units at the Facility to residents who earn no more than 100% of the Long Island adjusted median income (the "AMI"), and an additional 8 units to residents earning no more than 120% of the AMI. We realize that this proposal varies from the affordability standard the Agency seeks for multi-family rental projects applying for its assistance. However, the Gitto Group has experienced difficulty in obtaining tenants for units designated for residents earning 80% of AMI or less. The developer works with The Long Island Housing Partnership to obtain applications for units in its most recent project, and to screen the applicants. It took a considerable period of time to rent up the subject units, and there is no current waiting list to rent units once they become available. Rail Realty believes that there will be a greater market of potential tenants at 100% AMI who will still benefit from rents at less than the market rate.

We respectfully request that the foregoing matter be added to the agenda of the Agency's upcoming board meeting.

Please do not hesitate to contact me with any questions.

Very truly yours,

Peter L. Curry

Peter L. Curry

cc: Mr. Robert Gitto
Joseph Gitto, Esq.
Laura Fallick, Esq.