FORCHELLI DEEGAN TERRANA

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October 12, 2026

Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

Attention: Ms. Lisa MG Mulligan, Chief Executive Officer

Re: The Watch Hill Hotel Group LLC
138 West Ave, Patchogue NY 11772
New Hotel Project

Dear Ms. Mulligan:

This firm represents The Watch Hill Hotel Group LLC ("Applicant") in connection with the enclosed Application for Financial Assistance from the Town of Brookhaven Industrial Development Agency (the "Agency") regarding the proposed construction of a 136-room hotel plus commercial space and amenities at 138 West Avenue in the Village of Patchogue (the "Project"). Please share this letter and the application with the IDA Chairman and the members of the Board.

Project Description

Applicant proposes to build and operate a Hilton Hotel for short-term guests and extended stay guests, with amenities including conference/meeting and event space facilities, all of which will contribute to the Project attracting a significant number of visitors from outside of Long Island. This plan includes a five-story 124,189 square foot rectangular-shaped building with two elevators, featuring 136 rooms and suites on floors two through five.

The approximately 2-acre Project site offers views of the Patchogue River, and it is immediately adjacent to the Fire Island Ferry, a major mode of transportation to the Watch Hill area and Fire Island National Seashore. Additionally, the site is one walking-block to the Patchogue LIRR Station. The bowling alley which formerly occupied the Project site has been demolished.

Amenities include conference/meeting facilities, approximately 5,300 square feet of first-floor event space, rooftop restaurant, lobby bar, café and fitness room. Two grade-level retail spaces are approximately 900 square feet and 600 to 700 square feet. There will be a total of 106 parking spaces, including 12 land-banked spaces.

The Project has received site plan approval from the Village of Patchogue. Applicant projects an opening date of 17 months from start of construction.

GF Hotels & Resorts has been selected as manager and will manage the hotel.

Project Benefits

The Project is expected to create a minimum of 50 permanent FTE jobs, and 75 temporary construction jobs. In addition, the hotel occupancy tax from operations, increased revenue over the course of the requested PILOT and at full taxes will significantly increase municipal revenue over and above the current revenue.

In addition, the Project will generate economic activity for the local economy through its guests. As a high-quality hotel with amenities, the Project will attract visitors from outside of the economic development region, who will spend money at neighboring businesses.

Need for Financial Assistance

With the high cost of construction and the high amount and volatility of real estate taxes in Suffolk County, this Project could not be completed without the financial assistance requested.

Financial Assistance Requested/ Anticipated Benefits

Applicant requests the following assistance from the Agency:

1. Twenty (20) year PILOT schedule to phase in the increased assessment attributable to the construction of the Project Facility.

2. Sales tax exemption for costs of constructing and equipping the Project Facility.

3. Partial mortgage recording tax exemption for Project financing.

We greatly appreciate your consideration of the foregoing and we look forward to meeting with the IDA Board to present our application and move this Project forward.

Sincerely,

FORCHELLI DEEGAN TERRANA LLP

By: *John P. Gordon*
JOHN P. GORDON

cc: Andrew D. Komaromi, Esq.