

NassauLong Island Hempstead Village redevelopment hearing studies tax breaks

Updated May 12, 2016 7:04 PM

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The Hempstead Industrial Development Agency heard four hours of testimony during a packed hearing Thursday on an apartment building that would be the first phase of a proposed \$2.5 billion downtown redevelopment project in Hempstead Village.

The meeting, which grew heated at times, recorded the testimony to be reviewed by 11 IDA members on a requested \$20 million tax break over 20 years for Plainview-based Renaissance Downtowns to build a 336-unit apartment building at Washington and Front streets.

Supporters of the project said the village badly needs an economic infusion and the jobs promised with the development. Opponents said Renaissance has yet to complete similar projects elsewhere on Long Island. Some residents feared it would add further overcrowding to the dense village and make the downtown unaffordable for current residents to live in Hempstead.

Developers said the apartment building and a \$2 million parking garage will create 800 full-time construction jobs in the first year while they are being built and 11 permanent jobs.

The first building would generate \$670,000 in new property taxes and \$182 million in new economic activity, Martin R. Cantor, an economist contracted by Renaissance to conduct an economic study, said at the hearing held at Hempstead Town Hall.

The project represents the first phase of a 32-acre redevelopment in downtown Hempstead that is planned to include mixed-use apartments and ground floor retail, restaurants, a hotel, movie theater and parking on 17 vacant parking lots over the next 10 years.

The village transferred parking fields to Renaissance and its partners, RXR Realty and Urban America, at no cost, but secured an \$8 million community benefit agreement.

Hempstead Mayor Wayne Hall said the parking lots are not generating any tax revenue while vacant and are among the village properties not on the tax rolls — properties that make up one third of all in the village.

“My vision I wanted was to make Hempstead the destination point where people want to come and live,” Hall said at the hearing. “This PILOT is different in giving people jobs. It gives us the same opportunity and financial assistance as in Mineola and Rockville Centre.

Renaissance chief executive Don Monti said the project cannot move forward without a \$20 million PILOT, a payment in lieu of taxes, on the apartment building. Developers are asking the town to reduce its real estate taxes by 68 percent, from \$32.3 million to \$12.6 million during the next 20 years, Hempstead Town Councilwoman Dorothy Goosby said.

The IDA is to vote on the PILOT at its May 18 meeting.

Hempstead councilman Don Ryan said Monti “did what was best for him and not the community. It is bad enough they got the land for nothing and now he wants to put a further burden on residents.”

Each additional site plan for other parts of the project may require another PILOT to be built, developers said. Monti said he is prepared to submit 16 new site plans in the next 30 days.

Renaissance forecasts that the project would generate \$70 million in new property taxes, 12,000 construction jobs and 6,000 permanent jobs over the 10 years needed to develop the entire project.