

LONG ISLAND **NASSAU**

Developers win IDA tax breaks for two apartment projects in Westbury



A developer plans to build an 18-unit rental facility on Drexel Avenue in Westbury. This project and another received tax breaks from the Nassau County Industrial Development Agency. Credit: Certilman Balin Adler & Hyman, LLP

By Darwin Yanes darwin.yanes@newsday.com Updated May 31, 2022

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The Nassau County Industrial Development Agency has approved tax breaks for two Westbury apartment projects that officials said will expand housing opportunities in the village within the next two years.

The IDA board voted last week to grant final approvals for the economic benefits package for a project proposed by developers Ornstein Fetner Development LLC and 249 Drexel Associates LLC, and for the second phase of a project by developers Terwilliger & Bartone Properties LLC.

“The best way to revitalize a downtown, like Westbury, is to create housing so people will move into it and ultimately live in the village and revitalize it,” IDA chairman Richard Kessel said.

Center Moriches-based developers Ornstein Fetner plans to build an 18-unit rental [facility](#) with a retail area to house an existing fish market on the property. The \$7.5 million project at 249 Drexel Ave. will include studios and one- and two-bedroom apartments, including three below-market-rate units.

For this project, the IDA granted sales tax benefits not to exceed \$224,250 and a \$37,500 exemption on the mortgage recording tax. A 17-year PILOT – Payment In Lieu of Taxes – agreement, where developers will pay close to \$2.3 million in taxes, was approved. This includes an initial two-year construction period where the owners will pay just land tax about \$45,000 a year, according to the IDA.

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“The developers are thrilled that not only the IDA, but the Village of Westbury, is supportive of this project, and they’re able to move forward,” said Daniel J. Baker, the developer’s real estate attorney.

Construction, which is expected to take about 18 months, is planned to begin after the summer, Baker said.

In a statement, Mayor Peter Cavallaro said these projects will add tax revenue to the village.

“We don’t just accept the applicant’s or IDA’s initial proposed terms.” Cavallaro said regarding the tax breaks. “Rather, we carefully analyze and then modify the terms so that they make sense for our community.”

Farmingdale-based developers Terwilliger & Bartone are planning to build a 58-unit apartment complex with eight below market units at 425 Railroad Ave., the site of a former cold storage facility. The development near the village’s Long Island Rail Road station includes studios and one- and two-bedroom apartments. But managing partner Anthony Bartone said several of the one-bedroom units will include an office or den area to accommodate at-

home workers — a shift made in response to the increase of remote workforce due to the pandemic.

The developers will pay the current tax of about \$76,000 a year for the first two years of the project. Over the next 20 years, a PILOT will phase in taxes and developers will pay a total \$8.2 million.

Terwilliger & Bartone have already broken ground on phase one of the project, a [72-unit apartment building](#) at 461 Railroad Ave. The project is expected to be complete in a year with phase two lagging a few months, Bartone said.

"Although it's two distinct buildings, they're so close to one another, they'll operate as one development," Bartone said.

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