



\$23.6 million redevelopment of Goya facility in Bethpage gets IDA nod

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This is an exterior view of the Goya building in Bethpage on Feb. 11, 2015. Photo Credit: Newsday / J. Conrad Williams Jr.

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A \$23.6 million renovation project planned for a former Grumman facility in Bethpage won approval Wednesday for tax breaks from the Nassau County Industrial Development Agency.

Steel Equities, a Bethpage-based commercial developer, plans to purchase and renovate the existing 161,360-square-foot building located at 201 Grumman Rd. West and construct a 44,000-square-foot structure adjacent to it. The added building will serve as a new location for FedEx Freight Inc., which currently has operations in West Babylon.

The property is now owned and operated by Goya Foods Inc., which has announced plans to move its distribution operation housed there to an out-of-state facility, said Daniel Deegan, Steel's attorney with the Uniondale-based law firm Forchelli, Curto, Deegan, Schwartz, Mineo & Terrana.

FedEx Freight is the only tenant lined up for the 16-acre site so far, but Steel Equities is marketing to other prospective tenants, the developer said.

Financial aid approved by the IDA for the project includes a sales tax exemption of up to \$440,000 on the purchase of construction materials and equipment; a mortgage recording tax exemption of more than \$249,000; and a property tax abatement that phases in the added value of the project over a 20-year period.

FedEx will relocate 59 of its existing employees from Suffolk County to work at the new facility and plans to add 27 jobs over the next three years. The courier will not be closing its operations in West Babylon, Deegan said.

The timing of the developer's interest in the property was "fortuitous" given that the county could have found itself confronting a large empty facility soon, IDA executive director Joseph J. Kearney said.

Goya "had made a business decision that they felt was appropriate," Kearney said. The agency had made efforts to keep the Hispanic food giant in Nassau, but "their minds were made up," he said.