

## LI IDA deals up in 2013

By: John Callegari March 7, 2014 Comments Off



Robert Stricoff

According to numbers provided by the region's industrial development agencies, the Long Island economy experienced vast growth in 2013.

Last year, Long Island's IDAs completed more deals with companies expanding within or relocating to the region than in any year since the 2008 financial crisis. Not only is that good news for the economy as a whole, but it means Long Island locked down more of its economic drivers for the foreseeable future – increasingly important as other states with cheaper business costs continue to poach local businesses.

IDAs work with companies looking to expand or move to new facilities, providing property, sales and mortgage-recording tax savings and other incentives to spur business growth. In exchange, the company guarantees to create an agreed-upon number of jobs within a certain deadline.

“When I talk to business owners, they don't want to leave,” Babylon IDA CEO Bob Stricoff said. “They just need an excuse to stay.”

And a good financial incentive. When they're being courted by other states offering tax breaks and lower cost-of-living for business owners and employees, the owners “can't look at their board of directors or partners and say they want to say simply because they like it here,” Stricoff noted.

Babylon made some serious strides in 2013, closing 22 deals – up from the annual 10 to 14 deals the IDA had been closing on average.

[The Suffolk County IDA](#) also recorded some stark increases, rising from two deals in 2010 to three in 2011 to eight in 2012 – then doubling that in 2013, recording 24 separate deals, according to Executive Director Anthony Manetta. That equates to \$232 million in new local capital investment, the retention of 4,382 jobs and the creation of 1,395 new jobs, Manetta said.

While an improving economy certainly played a part, Manetta credited about four deals to the Suffolk IDA's new [Boost program](#), which provides tax breaks to tech companies with projects under the typical \$1 million threshold. Not only did the new program create more business for the IDA, it also led to the creation of a [tech cluster](#) in downtown Huntington Village, Manetta noted.

Other IDAs reporting 2013 increases: the Nassau IDA, which completed 21 deals – including keeping pharmaceutical maker PL Development and its more than 700 employees in Westbury as, opposed to relocating to Florida – and the Brookhaven IDA, which completed 11 deals, nearly doubling the six it completed in 2012.

The year ahead, however, could go either way, according to the local economic-development leaders.

Stricoff said he expects the Babylon IDA's closed deals to come in slightly closer to normal – roughly 14, he said, a drop-off from 2013's stellar total – but IDA officials in Nassau and Brookhaven say the first quarter has so far produced numbers indicating a strong 2014.

Brookhaven, for example, has already closed deals equivalent to 600,000 square feet of proposed development, the retention of 2,000 Long Island jobs and the creation of 900 new positions – all told, deals with an economic value of about \$70 million. And another victory could be coming soon, according to Brookhaven IDA CEO Lisa Mulligan: a project that's been on the back-burner “for years and years.”

“They finally have their financing in place now and are looking to move forward,” Mulligan said. “I think that's a good indicator the economy is getting better.”

Nassau IDA Executive Director Joseph Kearney agreed that an improving economy seems to be pushing more Long Island companies to seek IDA benefits for expansions or relocations, noting his agency has been meeting with a Chicago-based company that's close to relocating its corporate headquarters – and 300 associated jobs – to Long Island's western county.

Aside from the improving economy, Kearney said other external factors will be play a part in 2014 – particularly, the policies and politics of New York City's new mayor, Bill de Blasio.

“We're getting folks from New York City calling us, some of whom have mentioned that they feel the need to look elsewhere for their business because of the current situation in New York City,” Kearney said. “If that's the case, we're not about to look a gift horse in the mouth.”