

MineolaPatch

By [Mineola Patch Staff](#)

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The Nassau County Industrial Development Agency (IDA) has approved a proposed \$85 million apartment building project on the site of the former Keyspan building at 250 Old Country Road in Mineola.

The project is helmed by Mineola Properties LLC, an affiliate of Lake Success-based Lalezarian Properties LLC, and will consist of a 315-unit apartment building with 32 units that will be designated as affordable housing.

The proposed new structure was previously designed as a condominium complex with 250 units but was [converted to rentals](#) due to the continued poor market.

At a hearing on May 23, 2013, the [Mineola Village Board critiqued the initial proposal](#) over the height of the building on the Old Country Road side, the sheer “bulk and massiveness” of the building as an almost unbroken edifice, the number of units - 345 proposed at the time - including incorporation of studio apartments, general architectural features and the proposed number of parking spaces. The project was eventually scaled down to its current number of units.

“We are helping address the critical shortage of housing on Long Island by converting this empty office building into much needed rental units, including affordable housing for our workforce,” County Executive Ed Mangano said in a statement. “These state-of-the-art residences will create much needed workforce and commuter housing for Nassau County’s young professionals. This project, close to the downtown shops and restaurants in Mineola will generate millions in economic activity throughout Nassau County.”

The building, currently owned by the Metropolitan Transportation Authority and exempt from property taxes, is scheduled for demolition this spring.

The apartment building is projected to generate \$108 million in economic benefits as well as \$19 million in new taxes for local governments.

The original developmental incentive bonus payment for development to the village was \$2.5 million, but was increased to \$3.1 million in accordance with the increased number of units. The developer will also offer streetscaping around the perimeter of the building.

A 20 year payment in lieu of taxes (PILOT) will be made to the village that will start at \$9,137 in 2015 and grow to \$160,220 in 2034. The community benefit agreement amount will go from \$268,864 in 2015 to \$327,256 in 2034. Payment of the \$3.1 million in developmental bonus money is as follows: \$620,000 at each of the following intervals: upon issuing of a building permit; upon certificate of occupancy; upon first anniversary of the issuing of the certificate of occupancy; upon the second anniversary of the issuing of the certificate of occupancy; upon the third anniversary of the issuing of the certificate of occupancy.

Construction of the apartment complex is expected to take about two years, is expected to lead to the creation of 200 full-time equivalent construction jobs and result in the creation of 20 permanent full-time equivalent jobs.

The 32 affordable units would be leased to eligible families and individuals under an affordable housing program [sponsored by the Village of Mineola](#)—those earning less than 80 percent of the area median income would be eligible to rent such units.

“This project will help meet the substantial unmet demand for affordable housing in Nassau County,” IDA Executive Director Joseph Kearney said in a release, adding that that project will result in the redevelopment of an unused property that has been an eyesore in the community for many years