

Real estate group seeks aid for industrial sites

Published: October 25, 2012 7:37 PM

By JAMES T. MADORE james.madore@newsday.com



Photo credit: Amanda Voisard | One of the out-of-date factories being targeted for renovation is at 100 Spence St. in [Bay Shore](#). LI Industrial Real Estate group wants to transform 32 factories in [Nassau](#) and [Suffolk](#) counties. (Oct. 25, 2012)

The owner of 32 old factories and warehouses on [Long Island](#) wants to transform them from "dinosaurs to high-performance buildings" with the help of tax breaks from both counties.

[Long Island](#) Industrial Real Estate Group proposes to spend \$35 million on the structures, most of which were built between 1950 and 1980. Together, they consist of about 3.5 million square feet of space, 800,000 of which are vacant.

The real estate group, based in [Syosset](#), plans to revamp the tired buildings with new facades, roofs, heating and cooling systems, parking and interior improvements. It hopes to attract tenants that would employ a total of 1,000 people on top of those already there.

David P. Leno, the group's attorney, said Thursday it is asking the industrial development agencies of [Nassau](#) and [Suffolk](#) counties to freeze property taxes at the current rate for a period of time and place a cap on future tax increases.

While acknowledging Long Island's many empty industrial spaces, Leno said, "there is not an adequate supply of high-tech, energy-efficient industrial space. That's the market we are trying to serve." The group's majority owners are Abraham Fruchthandler and Rubin Schron.

Of the 32 factories and warehouses, 23 are in [Suffolk](#), with the largest at 95 Horseblock Rd. in [Yaphank](#) and 100 Spence St. in [Bay Shore](#).

Bruce Federman, a minority owner of the group, said it will need governmental help because the recession had caused some tenants to shrink or others to close.

The [Suffolk IDA](#) board offered a three-year freeze of the group's property taxes for a savings of \$450,000 and a sales-tax exemption of \$800,000. Future increases in property taxes would be capped at 2 percent, though [IDA](#) officials said they would consult with the [Nassau IDA](#) before determining the cap's duration.

[Suffolk IDA](#) board members Kevin Harvey, Steve Rossetti and Peter Zarcone stressed that only local construction workers should work on the project. Edward Ambrosino, another attorney for the real estate group, said it would consider a project labor agreement to guarantee wage rates. Ambrosino also is the [Nassau IDA's](#) top lawyer.