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Two Farmingdale housing developments get county tax breaks

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The area surrounding 245 Main St. in Farmingdale, as seen in Google street view on March, 17 2014. (Credit: Google)

The Nassau County Industrial Development Agency last week granted property tax breaks to two Farmingdale housing developments.

The two projects are being built by Islandia-based Staller Associates near the Long Island Rail Road station and would add 53 rental apartments to the market.

Nassau IDA executive director Joseph Kearney said that this type of development "is very critical to ensuring we have a healthy, vibrant economic future here and where our young people can continue to live.”

The IDA granted two kinds of tax breaks: payments in lieu of taxes, or PILOTs, and sales tax exemptions. Municipalities often use PILOTs to subsidize development by reducing the property taxes a property owner would otherwise pay for a set period of time. The developer plans to invest $6.3 million in each project.

One project will be built at 231-245 Main St. and is expected to have 26 residential units and 3,100 square feet of commercial space. The project will get a sales tax break of up to $275,000 on materials and furniture. The PILOT will keep the property's current tax bill of $57,781 for the first year, then phase in a new assessed value over 20 years and increase taxes by 1.66 percent beginning in the fourth year.

The other project is for 27 apartments at 285 Eastern Pkwy. and will benefit from a sales tax break of up to $270,000. The PILOT will begin at $28,675 and follow the same formula for increases as the other project.

Each project will set aside three apartments as "affordable," with income restrictions requiring that tenants make 80 percent or less than the area's median household income, which was estimated at $97,049 from 2008 to 2012 by the U.S. Census Bureau.