SCIDA PROJECT ABSTRACT

MEETING DATE: March 24, 2016
CONTACT: Josh Meyerowitz, Pres./CEO
PHONE: 

APPLICANT NAME: Spagnoli II LLC/The Boys Melville LLC
AND ADDRESS 185 Price Parkway
Farmingdale, NY 11735

PRINCIPALS: Joshua Meyerowitz (57.50%); Jay CooperSmith (23%); Sanford Meyerowitz (11.50%);
Fernando Cunha (8.00%)

PRODUCT/SERVICES: E-Commerce plumbing supply company.

PRESENT FACILITIES:
Farmingdale: Lease – Approx. 8,000 sq. ft. office & 84,850 sq. ft. warehouse totaling 92,850 sq. ft.
Lease – Cranbury, NJ – Sq. Ft. – 150,000
Lease - Columbus, OH – Sq. Ft. – 86,000

NEW LOCATION/TAX MAP #: 130 Spagnoli Road, Melville, NY 11747
(Tax Map #400-265-1-10.010)

PROJECT DESCRIPTION: Renovate and equip an existing 43,560 square foot building to be leased
with option to purchase beginning in year two. The facility will be used for corporate office and
administrative operations for its online e-commerce plumbing supply business. The project will include
space for a new training center for the company.

PROJECT COSTS: $820,000 Lease Transaction

COST OF RENOVATIONS TO LEASED SPACE 350,000
ENGINEERING & ARCHITECTURAL FEES 10,000
NON-MANUFACTURING EQUIPMENT 445,000
LEGAL FEES 15,000

TOTAL PROJECT COSTS $820,000

# OF EMPLOYEES ANNUAL PAYROLL AVERAGE SALARY

PRESENT (All Facilities) 130 $5,806,912 $44,668
PRESENT - Suffolk County Only 107 5,106,992 47,728
(73 Office + 34 Warehouse = 107)
Spagnoli Rd. Corporate HQ - Proposed 74 4,067,821 54,971
PROPOSED 1ST. YEAR – Spagnoli Rd. 84 4,516,821 53,771

2ND. YEAR 94 4,941,821 52,573

COMMENTS: 3/24/16 – Inducement resolution approved for an approximate $820,000 lease transaction for
Spagnoli II LLC/The Boys Melville LLC facility. Voting: 6 (JM, GH, PZ, AG, KH, GC) – 0. Absent: 1 (SC)
4/26/16 - Public hearing held.
4/28/16 - Final resolution approved for an approximate $820,000 lease transaction for Spagnoli II LLC/
The Boys Melville LLC facility. Voting: 7 (JM, GH, PZ, AG, KH, GC, SC) – 0. Absent: 0.
5/4/16 - Project closed for a $820,000 lease transaction.
April 20, 2023

Mr. Tony Catapano, Executive Director
Suffolk County Industrial Development Agency
P.O. Box 6100
100 Veterans Memorial
H. Lee Dennison Building, 3rd Floor
Hauppauge, NY 11788-0099

RE: 2016 SCIDA Project (Spagnoli II, LLC/The Boys Melville, LLC)
130 Spagnoli Road, Melville, New York

Dear Mr. Catapano:

Reference is hereby made to the Suffolk County Industrial Development Agency 2016 Project Spagnoli II LLC/The Boys Melville LLC Facility, in connection with the acquisition and development of the above-referenced property (the “Property”). We are submitting this letter to request that the SCIDA permit additional tenants as set forth herein.

Presently, the entire Facility of 43,560 sq. ft. is leased by Spagnoli II, LLC (Landlord) to The Boys Melville LLC d/b/a SupplyHouse.com (“Current Tenant”) an e-commerce plumbing supply business with its corporate headquarters at the Facility. The Boys Melville employs 175 Full Time Equivalent (FTE) employees out of the Facility which is well above the 100 FTE jobs required. As a result of changes in the workplace brought on by the COVID pandemic and remote working the Current Tenant does not need approximately 20,547 sq. ft of space. While the Current Tenant is retaining all its office space, the unneeded space is primarily warehouse space which is used for team building and employee recreational activities and space used as a training center since other training methods are now being used. According, the Current Tenant has requested a modification of its lease reducing the size of its leased space to 23,013 sq. ft., of which is all office and administrative use.

The employment requirement of 100 FTE jobs at the Facility is with the landlord, Spagnoli II, L.L.C. which is fulfilled by the Current Tenant and/or other tenants. The 2016 SCIDA Project has a term of 10 years with 5 years remaining including the current year. We have identified two potential tenants for the relinquished space by The Boys and request consent by the SCIDA.
Island Harvest is a leading hunger-relief organization with a mission to end hunger and reduce food waste on Long Island. Among the many nutrition and educational programs is also its Workforce Skills Development Institute which is a skills training and workforce development program designed to prepare candidates to be certified in forklift operation, food service, packaging, inventory control and other warehouse positions. Island Harvest’s main office is at 126 Spagnoli Road, which is directly next to the Facility and would occupy approximately 6,064 sq ft. in the building and have approximately 6-7 jobs. The proposed space will be evenly split of approximately 3,000 sq. ft each between warehouse space used for training such as forklift operation and the training center space which is being relinquished by the Current Tenant. The term of this lease would be 7 years. Our contact at Island Harvest is Randi Shubin-Dresner, CFO.

OTC Warehouse LLC, having an address at 132-02 89th Avenue, Suite 300, Richmond Hill, NY, would occupy approximately 13,414 sq. ft. and have approximately 8-12 jobs in the Facility for operations and warehouse of its third-party logistics warehouse business (3PL). The initial term of the proposed lease would be five years, with one option to renew for a five year period. The principal of OTC Warehouse LLC is Adam Mulikan, Managing Member.

Please place this request on the agenda for the IDA’s next meeting on April 27, 2023, and advise if any further information is required in connection with the foregoing.

Thank you in advance.

Very truly yours,

Spagnoli II, LLC

By: [Signature]

Gary P. Krupnick, Manager

cc: Christine Konofil, Esq.
Nicholas H. Rancanelli - RCC
Nixon Peabody LLP