

LONG ISLAND / SUFFOLK

WATCHDOG Babylon IDA rescinds tax breaks over company's relocation delay

Los Alamitos, California-based Bloomfield Bakers is supposed to move into this property at 5100 New Horizons Blvd. in North Amityville. Credit: Barry Sloan

By Keldy Ortiz

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The Babylon Town Industrial Development Agency has suspended tax breaks that would have saved nearly \$600,000 for a Los Alamitos, California-based nutritional bar manufacturer that is blaming the coronavirus pandemic for its delay in coming to Long Island.

Bloomfield Bakers LLC, which also makes other baked goods, had planned to be fully moved in this past January at the 48,330-square-foot manufacturing building in North Amityville. The company is to create 114 full-time jobs over two years. But IDA CEO Tom Dolan said the company's plan to open the facility was being delayed "well into next year."

It was the second delay for the project, since the IDA had initially approved the company's 12-year tax deal in January 2018. Dolan said the project was first stalled by a patent issue shortly after the company began receiving tax breaks that December, though officials did not expect them to move in immediately.

Because of the second delay, the IDA is suspending Bloomfield Bakers' 12-year Payment in Lieu of Taxes, or PILOT, Dolan said during a June 17 board meeting. Instead of paying the second-year PILOT amount of \$68,331, Bloomfield Bakers will now start paying \$136,680 annually in property taxes. Had the PILOT remained in place, Bloomfield Bakers would have saved \$571,350 over 12 years.

"They'll accept the fact that we'll suspend the benefits and then we'll welcome them with open arms as long as they live up to whatever that timeline we decide to be and they can occupy by that time," Dolan said.

"Obviously, if they could have moved in sooner, that's what we wanted ..."

The company paid \$3.1 million for the building at 5100 New Horizons Blvd. in 2018. Property taxes in 2017, when it was owned by The Nature's Bounty Co. of Ronkonkoma, were \$137,958.16, said Babylon Town spokesman Dan Schaefer.

In its 2017 application for financial assistance, Bloomfield Bakers said it would consider other locations in Idaho and elsewhere if it did not get help from the agency.

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Alexander Yoffe, an attorney for the company, declined to comment about whether the company would consider going to a different location. Matt Borud, a spokesman for the Idaho Department of Commerce, said Bloomfield Bakers has not applied for any assistance

from the state.

Dolan said he expects Bloomfield Bakers to maintain its commitment to bringing its business to town but has some doubt the commitment can be upheld if the coronavirus pandemic continues. He is not alone in his concerns.

Islip Town IDA executive director William Mannix wrote in an email Tuesday that while the agency has not heard from companies indicating they won't be expanding or moving into the town, the agency does "know of some prospects who put their expansion plans on hold" because of the pandemic.

BLOOMFIELD BAKERS

- Founded in 1992
- Employs more than 500 workers
- Plans to create 114 full-time jobs over two years when the company fully opens its facility

Sources: Babylon IDA, Bloomberg News

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