

March 16, 2018

VIA EMAIL

Frank A. Isler, Esq.
Smith, Finkelstein, Lundberg, Isler &
Yakaboski, LLP
456 Griffing Avenue
Riverhead, New York 11901

Re: Calverton Aviation & Technology, LLC

Dear Frank:

Attached please find Calverton Aviation & Technology, LLC's (hereinafter referred to as "CAT") responses to questions posed at the February 17 public meeting. We have endeavored to address all of the questions directed to CAT and the project in general. There were questions addressed to Daniel Preston and Luminati that we do not proffer answers to because of the change in corporate governance of CAT described in my letter to you and Michael Heller of March 13, 2017 and the documents attached thereto.

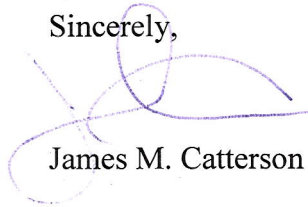
I have also attached a series of exhibits that bear on and are referred to in our responses to the questions. Based on our conversation of this afternoon, I will deliver six hard copies of the attached to the Town Supervisor's office on Monday morning. Should you want them delivered earlier and/or elsewhere, please advise me accordingly.

On the question of further financial disclosure, if the Town identifies a financial consultant that it wishes to use, we will forward the appropriate confidentiality stipulation. Upon execution of the stipulation, Triple Five Group will make documentation and personnel available to that financial consultant so that the consultant can verify the accuracy of Triple Five Group's representations as to its financial resources and condition.

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Finally, we reserve the right to supplement these responses with additional information that the Board may find useful in making its decision on whether CAT is qualified and eligible.

Sincerely,



James M. Catterson

Attachments

cc: Michael Heller

Calverton Aviation & Technology LLC (“CAT”) Responses to Town Questions

- We ask that you ask the co-sponsors what the exact relationship between Daniel Preston and TripleFive Real Estate 1 is. What is the relationship, and, asking that they provide the operating agreement between the members of the LLCs and any other information, which will describe how decisions will be made on developments and operations.

On March 14, Counsel to CAT submitted to the town two documents that unequivocally establish that CAT is now managed solely and exclusively by Triple Five Real Estate I LLC. See Exhibit 1, Letter from Caroline Harcourt, Pillsbury Winthrop Shaw Pittman LLP, to the Board of the Town of Riverhead (Mar. 12, 2018); Exhibit 2, Letter from Luminati Aerospace LLC and Daniel Preston to Triple Five Real Estate I LLC (Mar. 7, 2018). The Board of CAT has been terminated, eliminating any voting rights of Luminati or Daniel Preston. As you know, CAT is a limited liability company and Luminati is simply a member of the LLC, with a 25% financial interest in the entity. Triple Five Real Estate 1 is the sole managing member of CAT and owns the remaining 75% interest. Once again, Luminati and Preston have no governing role or voting right in CAT.

- Has CAT submitted documents showing property security for the project? If they have not, why not?

At the hearing, Triple Five’s Chief Financial Officer, Martin Walrath, submitted testimony regarding Triple Five’s financial capacity and valuation of assets that establish Triple Five has the wherewithal to finance projects far larger than the size and scope of the development currently before the board.

Martin has 28 years of direct experience with the Triple Five Group, its assets, and resources and has arranged over \$5 billion of debt financing in just the last 10 years on behalf of Triple Five Group (and the Family). During that period Triple Five has conducted business with JP Morgan and Goldman Sachs including the \$1.67 billion construction financing of American Dream. Goldman Sachs has submitted a letter of support on our behalf, which is attached hereto. See Exhibit 3, Letter from David Lehman, Goldman Sachs & Co, LLC to Nader Ghermezian, Triple Five Group (Jan. 29, 2018). We have also during this period engaged the services of Credit Suisse First Boston, Deutsche Bank, Wells Fargo Bank, Royal Bank of Canada, CIBC and other national and international lenders on various projects both new and mature resulting in several billions of dollars of other financing. These institutions undertake a rigorous “Know Your Customer” review as well as extensive credit review of borrowers and guarantors and in every instance concluded that Triple Five was highly qualified and capable of undertaking the related obligations. In addition to these private Financial Institutions’ rigorous review, members of the Family and various of their banking operations have received both Canadian Federal Charters and US Federal Charters to conduct bank lending. The banking regulators in each country perform perhaps the most rigorous review of the recipients of their charters/licenses. Finally in the case of American Dream, the NJSEA and the NJEDA undertook their own due diligence as to our character, resources and capability and as a result approved an economic grant of

up to \$390 million and our issuance of \$1.1 billion of tax exempt bonds. Again these are highly sophisticated and rigorous undertakings conducted by these State agencies.

Specific to the two trophy assets discussed (West Edmonton Mall and Mall of America which are wholly owned by Triple Five Group) and relying on audited financial statements and valuations prepared directly by the Lenders on these projects. See Exhibit 4, Economic Benefits of Mall of America, available at <http://triplefive.com/en/pages/moa/economic-benefits>; Exhibit 5, Economic Benefits of West Edmonton Mall, available at <http://triplefive.com/en/pages/wem/economic-benefits>. Peoples Bank and Trust, a federally chartered financial institution in Canada which is wholly-owned by the Family, is itself one of the largest if not the largest private financial institution in Canada. See Exhibit 6, Letter from Grant MacKenzie, Peoples Group to Town of Riverhead Community Development Agency (Feb. 22, 2018). The American Dream project in New Jersey has demonstrated the Triple Five Group's ability to invest in excess of \$500 million in one project and to raise a \$1.67 billion development financing as well as issue \$1.1 billion in bonds. See Exhibit 7, Public Finance Authority Bond Letter. This was accomplished in June of 2017. Finally, we have attached a press release dated September 19, 2017 which establishes that the entire debt related to an asset of Triple Five carries an "A" rating as designated by DBRS. See Exhibit 8, Press Release, DBRS, DBRS Confirms the Rating on West Edmonton Mall Property Inc. (Sept. 19, 2017).

We believe the above evidences the substantial resources of the Triple Five Group to finance and develop billion dollar plus projects and certainly with respect to the parameters of the Riverhead project (land purchase and subsequent development of tens of millions but certainly not billions at least in this initial development phase).

As was expressed at the hearing, as a private company, Triple Five does not have publicly available financial statements. Triple Five has in addition enclosed a letter from Grant Thornton, documenting Triple Five has a minimum of \$40 million dollars available for the project, a copy of which is annexed hereto. See Exhibit 9, Letter from Patti Walsh, Grant Thornton to Triple Five Group of Companies (Mar. 9, 2018). When we were originally before the Board on February 27th, we represented that if the Board is still not satisfied and needs further assurances, Triple Five is happy to work with the Board to create an arrangement under which confidential access to financial information of Triple Five Group will be provided to an appropriate Board representative.

- Does this company have aviation experience and skill, but also succeed, in an aviation development?

To undertake this project, CAT has brought together a team of professionals, that include Steven Rogers, Triple Five, Langan Engineer, James Lima Planning + Development and PCL Construction. See Exhibit 10, Curriculum Vitae of Steven of Rodgers; Exhibit 11, Biography of James F. Lima, James Lima Planning & Development; Exhibit 12, Langan Airport and Aviation Qualifications and Experience; Exhibit 13, PCL Construction Services, Project Pages; Exhibit 14, Curriculum Vitae of Syd Ghermezian; Exhibit 15; Curriculum Vitae of John Ghermezian. These highly experienced members all appeared at the February 27th hearing and set forth their relevant experience in the industrial and aviation industries and their experience in

developing properties of this size and scope. Development requires planning, engineering, environmental reviews, construction experience, financing, regulation compliance, community collaboration, and the capability to recruit viable tenants to sites to create an economically viable and sustainable project. Our team described their qualifications and relevant experience and tonight will again submit each team member's qualifications and relevant project lists. Please refer to the attached documents.

- With respect to the CAT proposal, we ask that they clarify Exhibit B, the development plan in the agreement, concerning the acreage, as I mentioned, for each of those categories, developable and non-developable.

James Lima will be presenting our conceptual development plan at the meeting. Please refer to attached documents.

- We heard a lot of “that a boys” and “they’re nice people” type comments, but *what is the project?* So if we don’t know what the project is, how can we tell if they’re qualified to do it or not?

The size and scope of the project, as defined in the contract that is currently before the town is a project to develop approximately 600 acres of land, specifically requiring the development of 1,000,000 square feet of industrial space and investing \$1 million in runway improvements. See Exhibit 16, Agreement of Sale Between The Town of Riverhead Community Development Agency, Town of Riverhead, and Calverton Aviation & Technology LLC. CAT's development plan will take full advantage of the two runways, and includes spending at least \$1 million to improve both runways with a lighting system, enhanced security, reactivation of the GPS approach system, and general maintenance. The primary emphasis of the development will be on aviation, technology, and permitted supportive uses. No residential development will take place.

We reiterate that to undertake this project, CAT has brought together a team of professionals, that include Steven Rogers, Triple Five, Langan Engineer, James Lima Planning + Development, and PCL Construction. These highly experienced members all appeared at the February 27th hearing and set forth their relevant experience in the industrial and aviation industries and their experience in developing properties of this size and scope. Development requires planning, engineering, environmental reviews, construction experience, financing, regulation compliance, community collaboration, and the capability to recruit viable tenants to sites to create an economically viable and sustainable project. Our team described their qualifications and relevant experience and tonight will again submit each team member's qualifications and relevant project lists.

- At the very end of this two hour presentation, I heard a verbal list of three or four companies that have apparently expressed interest in being tenants or owners at Calverton Aviation and Technology. Why don't we have that list?

Businesses that either currently exist on the property or are seeking to locate to the site include: Luminati, Hexcel, Launcher, CPC, Sci-max, Abaris, Maglev Technology, and Triple Five's own industrial companies among others. See Exhibit 17, Letter from Max Haot, Launcher to Nader Ghermezian, Triple Five Group of Companies; Exhibit 18, Letter from Michael J. Hoke, Abaris Training Resources to Stuart Bienenstock, Calverton Aviation & Technology (CAT) (Mar. 15, 2018); Exhibit 19,

Letter from Leonard Poveromo, Composite Prototyping Center to Nader Ghermezian, Triple Five Group of Companies (Jan. 2, 2018); Exhibit 20, Letter from Max M. Gross, SciMax Technologies, LLC to Nader Ghermezian, Triple Five Group of Companies (Dec. 27, 2017); Exhibit 21, Letter from F.H. (Bud) Griffis, Maglev Technology to Nader Ghermezian, Triple Five Group of Companies (Mar. 14, 2018). Several of these companies have current leases/relationships or are in discussions. Hexcel, CPC, Triple Five and Sci-Max all stated their intentions to locate or fund work at the site at the February 27th hearing. Given the property has not yet been acquired by Triple Five Group, it is premature to have finalized agreements with these entities.

- What is the true detailed project that is proposed by the purchaser and does it include housing or not?

James Lima will be presenting our conceptual development plan.

The size and scope of the project, as defined in the contract that is currently before the town is a project to develop approximately 600 acres of land, specifically requiring the development of 1,000,000 square feet of industrial space and investing \$1 million in runway improvements. See Exhibit 16, Agreement of Sale Between The Town of Riverhead Community Development Agency, Town of Riverhead, and Calverton Aviation & Technology LLC. CAT's development plan will take full advantage of the two runways, and includes spending at least \$1 million to improve both runways with a lighting system, enhanced security, reactivation of the GPS approach system, and general maintenance. The primary emphasis of the development will be on aviation, technology, and permitted supportive uses. No residential development will take place. See Exhibit 22, Triple Five and CAT - The Vision for Calverton: Presentation to the Chamber of Commerce.

- What is our experience in maintaining a natural habitat?

Langan Engineering, Environmental, Surveying and Landscape Architecture, DPC (Langan) works with clients on a regular basis to identify, delineate and permit any potential impacts to environmentally sensitive areas on and near project sites. At times, and as part of various Federal, State and local site plan regulatory processes, a habitat preservation plan and/or wetland mitigation plan might be required to address important habitat preservation, creation and restoration components of an overall project required to protect important habitat, including wetlands, and allow the project to meet regulatory requirements and permit conditions. Langan has developed habitat preservation plans and wetland mitigation plans for a number of projects that provide steps to restore and maintain identified critical habitat areas as part of project implementation. Langan has provided long-term monitoring and guidance for clients in the implementation of habitat protection plans and wetland mitigation plans, ultimately working with contractors to perform the necessary restoration and maintenance work on the habitats and coordinating with regulatory agencies to confirm the proper implementation of the plans and achievement of their objectives. See Exhibit 23, Letter from David Charette and Bryan Waisnor, Langan to Stuart Bienenstock, Calverton Aviation & Technology (Feb. 2, 2018); Exhibit 24, Langan Environmental Regulatory Compliance Qualifications and Experience; Exhibit 12, Langan Airport and Aviation Qualifications and Experience.

- What is our experience and history to meet the environmental requirements of the EPCAL site? Do you have experience in any similar sites?

The EPCAL site has gone through a detailed EIS process whereby a Comprehensive Habitat Protection Plan (CHPP) has been drafted and will likely be required as part of the forthcoming NYSDEC Wild, Scenic and Recreational Rivers permit necessary for the proposed subdivision of the remaining parcels of the EPCAL property to create Lots 6, 7 and 8, to be sold to the Purchaser. The CHPP calls for fencing along the outer edge of the tiger salamander habitat, creation of some additional grassland habitat through clearing of some wooded areas and establishment of specific grass species, and maintenance of the grassland through specific mowing regimes and restrictions. Langan has the ecological and landscape restoration expertise to prepare plans and specifications to have the construction work necessary to erect the barriers and create the new grassland areas. See Exhibit 24, Langan Environmental Regulatory Compliance Qualifications and Experience. Langan will provide status reports to the NTSDEC on implementation of any approved CHPP for the property.

Langan has experience with grassland and amphibian/wetland habitats. See Exhibit 24, Langan Environmental Regulatory Compliance Qualifications and Experience. As an example, Langan is currently working with the National Park Service on a Meadow Management Plan for the Valley Forge National Historic Park in Pennsylvania. The park parade grounds and surrounding fields have been mowed for several decades, creating one of the largest meadows and grassland complexes (1,340 acres) along the east coast of the United States. The Meadow Management Plan's objective will be to implement a number of management techniques to optimize and diversify the habitat for grassland bird and plant species through mowing regime changes, fire management, soil nutrient changes, and other approaches. As another example, Langan is working on a comprehensive wetland mitigation and habitat protection project plan on a 398-acre project site in Cranbury, New Jersey. For this project, Langan designed and implemented the creation of 22.7 acres of new wetlands, of which 8.5 is targeted vernal habitat, restored 3 acres of uplands, and preservation of over 212 acres of important habitat to mitigate for the remedial clean-up of the project site that required disturbances to wetlands and threatened species habitat. Construction of an industrial warehouse complex on the most contaminated portion of the remaining 186 acres is also part of the project.

- Do you have any work previously in a federally designated sole source aquifer, a state designated special groundwater protection area, or a county designated critical environmental area?

Langan has provided environmental consulting services over a wide range of project sites within the coastal plain of New Jersey and New York where similar geological, soil and ecological conditions have qualified the project site for sole source aquifer and groundwater protection, as well as defined critical environmental areas whether they be based on unique ecological formations (i.e., Pine Barrens), endangered and threatened species habitat and/or part of significant ecological communities. See Exhibit 24, Langan Environmental Regulatory Compliance Qualifications and Experience. As part of any project site, Langan first identifies the appropriate Federal, State, County, regional and local regulatory frameworks of regulatory standards and

environmental guidance from different programs such as aquifer and groundwater protection; and then creates appropriate site designs with open space preservation to protect the sensitive environmental features to address these requirements and guidance. All site plan designs are advanced through various regulatory permit and approval processes to eventually develop an acceptable site plan design for all the regulatory agencies involved in the review process. Appropriate stormwater management facilities for recharge of the groundwater, water quality treatment, use of xeric landscaping and minimal use of fertilizers, and Stormwater Pollution Prevention Plans during construction and operation of the project are key components of an overall environmental management approach to these type of sensitive areas.

- What are the applicant's accomplishments with respect to endangered and threatened animal species that inhabit the property?

The EPCAL site has gone through a detailed EIS process whereby a significant portion of the endangered and threatened species habitat will be preserved, including breeding ponds and adjacent wood upland buffers for the tiger salamander, grassland areas utilized by a range of avian species, and wooded Pine Barren habitat. In addition, as noted above, a Comprehensive Habitat Protection Plan (CHPP) has been drafted and will likely be required as part of the forthcoming NYSDEC Wild, Scenic and Recreational Rivers permit necessary for the proposed subdivision of the remaining parcels of the EPCAL property to create Lots 6, 7 and 8, to be sold to the Purchaser. The CHPP calls for fencing along the outer edge of the tiger salamander habitat, creation of some additional grassland habitat through clearing of some wooded areas and establishment of specific grass species, and maintenance of the grassland through specific mowing regimes and restrictions. The Purchaser understands that only a portion of the property has been targeted for economic development while other portions of the property to be purchased will remain as is to preserve habitat for endangered and threatened species.

- Can you please provide your experience in either environmental protection or remediation, if or when it occurs, at an aviation facility.

Langan has been involved in a range of environmental compliance, environmental protection, and environmental remediation at aviation facilities through the United States. See Exhibit 24, Langan Environmental Regulatory Compliance Qualifications and Experience. Locally, we have worked for the Port Authority of New York and New Jersey and commercial airlines to address legacy environmental contaminants at the airports and design and implement cleanup programs. We have also assisted Fixed Base Operators in ensuring their fueling facilities have proper Spill Containment and Countermeasure Plans and are designed to properly contain any potential spills as well as having onsite cleanup materials readily available in the event a spill does occur. We have also worked on stormwater management approaches to runways and taxiways while conforming to FAA requirements for airports and associated runways.

- They may know it from a point of view of studying it in college, but what is their actual on-the-ground, put boots in the wetland experience in managing these kinds of lands?

Triple Five, PCL and Langan have experience developing in environmentally sensitive wetlands. Triple Five's current project, American Dream, is located in the

Meadowlands District, a region with environmentally sensitive wetlands. Extensive remediation and mitigation work needed to be completed and entailed working through various public hearings and processes, involving multiple state and federal agencies.

- What is the status of the American Dream [project] in New Jersey? Did you purchase that mall in 2011 seven years ago? Did you promise that mall would be completed in 2014? Is it complete? I did learn tonight that there's going to be a spring 2019 ribbon cutting, as a partially answered question. A further question to that is why, why hasn't it been completed yet?

American Dream is a \$5 Billion world-class entertainment and retail tourist destination project. The project is under construction and rapidly progressing toward a 2019 opening. Currently over 1,200 people on-site are working on-site completing over \$75 Million of work per month (\$2.5 Million per day). Construction financing for approximately \$3 Billion of new investment in the project closed in June 2017. Project financing was led by JP Morgan and Goldman Sachs, and Goldman Sachs has submitted correspondence in support of qualifications and financial capacity undertake the development of the EPCAL site. See Exhibit 3, Letter from David Lehman, Goldman Sachs & Co, LLC to Nader Ghermezian, Triple Five Group (Jan. 29, 2018).

Work is scheduled to be completed for a Spring 2019 opening. The project is a priority for the State of New Jersey as well as Bergen County. Upon opening, the project will employ over 16,000 employees on-site. It will have direct fiscal impact to the State generating approaching \$150 Million in taxes annually. The project will become a major economic engine for the State of New Jersey.

When Triple Five was awarded the prior project, we substantially redesigned, updated, expanded and augmented the project to make it a dynamic experience, bringing not just retail, but entertainment and dining destinations. Major changes to the prior development plan include the acquisition, addition and integration of an approximately twenty-two acre site to be the location for the development of a fully-enclosed indoor amusement park and water park complex, and a complete redesign of interior and exterior finishes, among other major improvements.

Neither the State, nor the company could have anticipated the delay contributed by litigation related to the above expansion. Added time was also necessary to properly handle associated environmental needs (extensive remediation and mitigation work needed to be completed) and various public hearings and processes – which involved multiple state and federal agencies.

- Second major question: Do you own, operate the West Edmonton Mall? Did you ask for a million dollars in tax concessions for that mall? Did you know that the Mayor of Edmonton, Alberta, reportedly criticized your methods and stated that your group, quote, "Provided less documentation," unquote, for these millions in concessions? The, quote, "Before he starts asking for a thousand dollar grant," end quote.

Triple Five owns and operates the West Edmonton Mall in Alberta Canada. WEM was first built in the 70s and has undergone several renovations. Projects of this size and scope inevitably require public and private partnerships. It is the public nature of that relationship and undertaking that inevitably will inspire detractors.

As for the success of the project itself, WEM employs almost 24,000 people and is a fully integrated, climate-controlled tourism, entertainment and retail “city” of 5.3 million square feet. Since its inception through 2006, WEM generated incremental tax collection of \$3.5 billion by the federal government, \$1.15 billion in incremental provincial taxes to the Government of Alberta and \$470 million in incremental local taxes which the local governments in Alberta, all which would not have been collected if the Mall did not exist. See Exhibit 5, Economic Benefits of West Edmonton Mall, available at <http://triplefive.com/en/pages/wem/economic-benefits>. Clearly, if the figures were calculated through today they would be much higher.

- Number three - Do you own and operate this Mall of America in Minnesota? Did you know that the Minnesota state treasurer, Michael Freeman, reportedly criticized your methods and stated your goal, quote, “Your goals appear to be build the best – to build the best possible project with the most public dollars,” end quote. Again, from Bloomberg.

Triple Five owns and operates the Mall of America in Minnesota. This 4.2 million square foot complex is home to more than 520 world-class shops and currently employs 11,000 people. Mall of America is one of the largest tax payers in the state and has generated more than \$800 million in tax revenue since it opened almost 20 years ago. Annually, MOA generates more than \$1.9 billion in economic impact. See Exhibit 4, Economic Benefits of Mall of America, available at <http://triplefive.com/en/pages/moa/economic-benefits>.

Projects of this size must be undertaken through public and private partnerships. If the public side is not forthcoming, a project will not be viable. Very rarely are there mega-projects of the size and scope proposed by Triple Five that do not have detractors in the public.

- And question number four, did you obtain \$400 million in incentives from New York State to build a megamall in Niagara Falls called Fantasyland? Also from the Bloomberg article. Was that ever built?

Neither CAT nor any other Triple Five entity received \$400 million in incentives from the State of New York back in the 1980s. Incentives were offered for the project, however, Triple Five did not believe the project was viable and decided not to participate.

- Did you also seek to obtain public dollars from Canada? Do you know that local reporters referred to this effort as, quote, “shadow play?”

Very rarely are there projects of the size and scope undertaken by Triple Five that do not have detractors. Triple Five disagrees with these comments, and refers the Board to the well-established success of Triple Five’s developments.

- Number five. Did you propose a \$600 million megamall in Maryland? Was that ever built? Do you know that Doug Duncan, the head of the County government, reportedly said that project failed because you, quote, “Expected the public to just keep putting more public money into the project?”

Triple Five had discussions regarding a proposed megamall in Maryland. Over the past thirty years, as experienced developers, Triple Five has analyzed several sites and engaged in negotiations with local communities. Overall circumstances in that area in the 90's, including market studies and economic conditions ultimately did not warrant the development.

Projects of this size proposed here must be undertaken through public and private partnerships. If the public side is not forthcoming, a project will not be viable. Very rarely are there mega-projects of the size and scope proposed by Triple Five that do not have detractors in the public.

- And lastly, number six, did you also propose a \$800 million megamall in Las Vegas? And was that ever built?

Triple Five had discussions regarding a proposed megamall in Las Vegas. The unfortunate economic conditions in Las Vegas between 2008-2012 were not conducive for the development.

- How can we be assured that the current version of the purchaser will remain and be qualified and eligible to complete the project? What assurances do we have?

Unlike the prior entities, Triple Five is now the controlling interest in the project and has demonstrated its ability to complete projects and deliver financing. See Exhibit 1, Letter from Caroline Harcourt, Pillsbury Winthrop Shaw Pittman LLP, to the Board of the Town of Riverhead (Mar. 12, 2018); Exhibit 2, Letter from Luminati Aerospace LLC and Daniel Preston to Triple Five Real Estate I LLC (Mar. 7, 2018).

Triple Five has provided financial information establishing it has the wherewithal to complete this project. See Exhibit 3, Letter from David Lehman, Goldman Sachs & Co, LLC to Nader Ghermezian, Triple Five Group (Jan. 29, 2018).

In addition, several individuals traveled to the February 27th to “vouch” for Triple Five and their commitment to the projects they undertake. Wayne Melnyk, who has worked with Triple Five for almost 37 years and is part of this team, explained that Triple Five and PCL have the ability to deliver a project of this size and scope and has assisted Triple Five in bringing projects to fruition. See Exhibit 25, Wayne Melnyk, PCL Construction, Presentation to the Board of the Town of Riverhead. Jim Kirkos, from the Meadowlands Chamber of Commerce, spoke about watching Triple Five persevere on a project in the Meadowlands that had a very similar history of challenges as the EPCAL site, and saw Triple Five move to complete a project, American Dream, where prior developers had failed. That project will be opening in 2019. Sue Perpich also submitted a statement detailing Triple Five's commitment to the local communities its project serves in Minnesota. Triple Five believes it has established and had others reiterate its commitment to the projects it undertakes.

- We've had four morphs of this organization in less than 12 months. How can we be sure that they're going to finish the project that they're proposing, once we learn what it is?

Unlike the prior entities, Triple Five is now the sole managing member of CAT and therefore the controlling interest in the project. See Exhibit 1, Letter from Caroline Harcourt, Pillsbury Winthrop Shaw Pittman LLP, to the Board of the Town of Riverhead

(Mar. 12, 2018); Exhibit 2, Letter from Luminati Aerospace LLC and Daniel Preston to Triple Five Real Estate I LLC (Mar. 7, 2018). Triple Five has demonstrated its ability to finance and deliver projects.

- Earlier versions of this map were not clear enough to fully understand exactly what land is being sold, what portion of that land can be developed and what portion of that land cannot be developed.

Triple Five is presenting a map showing the phases of development, and we refer you to the Lima Presentation.

- Will a map clearly showing this, and the acreage in each category, be produced and available to the public before any decision is made on the qualification of the –The town published a map on the date of the hearing, which is still subject to subdivision approval.

Triple Five is presenting a map showing the phases of development. Subdivision approval will still be required.

- When is the public going to see what the actual wording is that’s going to prevent housing and residential uses at this site? Until we see the actual wording, I don’t think we can be certain that it’s really going to happen.

Triple Five has represented to the Town and the board that it will not build any residential developments. The contract between Triple Five and the Town provides for industrial building and runway improvements, there is no commitment for residential development. In fact, Section VI(A)(10) of the contract states that the Property will be sold and conveyed subject to “[a] covenant and restriction to be referenced in the Deed and contained in a separate document to be executed at Closing, providing that there will be no residential uses at the Property.” See Exhibit 16, Agreement of Sale Between The Town of Riverhead Community Development Agency, Town of Riverhead, and Calverton Aviation & Technology LLC. It is completely within the Town’s own zoning authority to ensure no residential development will occur.

- There was a description on the website of CAT that talked about dormitories. That’s residential, in my opinion. I hope it’s the same as yours.

The presentation on the website has been removed as it represented a very preliminary conceptual vision. Triple Five presented a PLA at the February 27th meeting that does not include residential uses and again presented its conceptual vision this evening, with no residential development. Section VI(A)(10) of the contract between Triple Five and the Town states that the Property will be sold and conveyed subject to “[a] covenant and restriction to be referenced in the Deed and contained in a separate document to be executed at Closing, providing that there will be no residential uses at the Property.” Again, it is completely within the Town’s own zoning authority to ensure no residential development will occur.

- We’ve heard a lot of people say that they have – they know about CAT, they know about Triple Five, and they have worked with them in the past. We should ask them for any legal, financial agreements and commitments, in writing, legally enforceable between the folks that are testifying tonight and Triple Five or CAT. It’s nice to say, “Oh, yeah, we want to do business with them,” but what is on the piece of paper and how it is notarized?

Triple Five has submitted letters of interest from CPC, Launcher, Sci-Max, Abaris, and Maglev Technology. See Exhibit 17, Letter from Max Haot, Launcher to Nader Ghermezian, Triple Five Group of Companies; Exhibit 18, Letter from Michael J. Hoke, Abaris Training Resources to Stuart Bienenstock, Calverton Aviation & Technology (CAT) (Mar. 15, 2018); Exhibit 19, Letter from Leonard Poveromo, Composite Prototyping Center to Nader Ghermezian, Triple Five Group of Companies (Jan. 2, 2018); Exhibit 20, Letter from Max M. Gross, SciMax Technologies, LLC to Nader Ghermezian, Triple Five Group of Companies (Dec. 27, 2017); Exhibit 21, Letter from F.H. (Bud) Griffis, Maglev Technology to Nader Ghermezian, Triple Five Group of Companies (Mar. 14, 2018). In addition, several businesses with interest personally came before the town to state their interest at the February 27th hearing. Until Triple Five is approved to proceed and is able to conduct full due diligence, final agreements with these highly interested parties are premature.

- My concerns are really regarding the water, and I know it was touched slightly on with what Mr. Esposito had said, and what Mr. Amper may say as well. I would like to know what the practices are, the intended practices, the industrial practices that are going to be taking place on this property?

CAT has presented Langan Engineering, a highly experienced environmental engineering firm that is part of its team. Langan engineering has extensive experience with projects of this size and scope, as will be submitted with the record and will ensure compliance with all environmental regulations to ensure a safe industrial operation on site. See Exhibit 23, Letter from David Charette and Bryan Waisnor, Langan to Stuart Bienenstock, Calverton Aviation & Technology (Feb. 2, 2018); Exhibit 24, Langan Environmental Regulatory Compliance Qualifications and Experience

- What are the exact locations of the “undevelopable land” and how will these lands be managed, and what are the purchaser’s qualifications and experience with that type of land management?

Please see the map prepared by Triple Five for development, as well as the Lima Presentation.

- Will the applicant support zoning changes to prevent future use of EPCAL land for any and all part-time or full-time residential, retail and entertainment use?

Triple Five is fully committed to working with the town to implement what the community believes to be the best course of development for the site. We have presented our vision for the best combination of uses at the site that will produce jobs on a sustainable level and provide tax revenue to the town.

- We would like to know what your plans are, when you operate are you going to have your own fire department in there? If not, are you going to go to the ADA and try to take tax dollars away from us? Or, are you going to come to the table and work with us to protect your area?

Triple Five is currently reviewing operational structures and will work with the town to create a sustainable operating model. On site Fire requirements will be dictated by the full complement of businesses that will be located on the site.

- The one thing that I did want to ask is, if Luminati and Triple Five have performed a sound test on the 7,000 foot or 10,000 foot runway?

CAT and Triple Five have not performed any sound tests.

- The – as I said to one of the colleagues of the group is, it is my question to them is whether they would consider, since I think there is much interest in their proposal, whether they would consider making a clean proposal to the Town of Riverhead, at the same time as other interested parties could make clean proposals for a transferring process.

Triple Five is only interested in completing the proposal currently before the town. Should the town vote against Triple Five, finding it to not be qualified and eligible, Triple Five will not pursue the project in Riverhead any further.

- Whether in this eligibility, whether they would consider renegotiating the basics, in terms of the amount of land, since that's 600 developable acres that would be sold, then why the other acreage has to be part of the deal.

Once again, Triple Five's interest is to complete the process for the proposal currently before the town. We are not coming back if this Project is not approved.

- And, the question is, what then, more specifically to your own history that was referred to earlier by Tookley, are you prepared, is this new entity prepared to pledge to the town that it will not come back to the town for IPA requests, municipal bonds, and the other methods of financing that have been criticized in Minnesota and New Jersey. So that question should be asked, whether by going further, the town is essentially getting sucked into a process it does not want to be part of.

Triple Five has submitted financial information establishing it has the financial capabilities to perform the work under the current contract. Given this is a research and development site, CAT and/or its tenants will very likely seek Federal and State grant or incentive opportunities to the extent they qualify and determine such grants or incentives will enhance the work or the development of the site. We would encourage any tenant to pursue grant work; that is exactly what the grants are for.

- I think that's basically what it comes down to, I think. Is this group prepared to put itself on an equal footing with other proposals to Riverhead, or do they want to continue to take advantage of a privileged position from someone that they have characterized, even more negative terms, that we have characterized?

Once again, Triple Five's only interest is to complete the process for the proposal currently before the town.

- So I think that I would ask you to ask the applicants here tonight for a list of all public monies that have been received, or any affiliate of them, by them or any affiliate of New York State, including any tax incentive packages and grants for development at EPCAL.

Triple Five has not received any monies from the state of New York or its political subdivisions for EPCAL.

- Also to ask them that does EPCAL Aviation and Technologies intend to request any additional government monies including IPA requests, municipal bonds or other methods that may be used to finance their venture?

Triple Five has submitted financial information establishing it has the financial capabilities to perform the work under the current contract. Given this is a research and development site, CAT and/or its tenants will very likely seek Federal and State grant or incentive opportunities to the extent they qualify and determine such grants or incentives will enhance the work or the development of the site. We would encourage any tenant to pursue grant work; that is exactly what the grants are for.

- I would ask specifically if there is any effort to contact our IPA, would they be willing to absolve themselves of that availability of benefits from this town for public use?

We should all want to the site development to succeed, create jobs and increase tax revenues for the citizens of Riverhead. We will work with all of the companies relocating to the site to help make it a success.

- And as a final note, my colleague, Phil Barbado, did ask if this was going to go forward, whatever project that goes forward at EPCAL is going to be union built. I think one of the things that I would like to ask and have you ask the applicant, are they considering a community benefit agreement as well as a project labor agreement as they go forward with their project, if it's approved?

Triple Five has used project labor agreements at both the Mall of America and American Dream projects. It has the qualifications and experience to negotiate with local unions.

- The other question I had was, if we could seek a profound scope for the development, sale and usage of the property, and, if this Board would be kind enough to consider a certain acreage for allotment for the provision of a motorsports park?

We would look to the Town for guidance on that and any other recreational uses for the site.

- And if the Luminati deal does go through, what, again, just clarification on provision of sale of other parts being developed for usage or sale by the town, would be greatly appreciated. Thank you very much.

We would look to the Town for guidance on that and any other recreational uses for the site.