

Minutes of the Community Development Agency meeting held by the Town Board of the Town of Riverhead at Riverhead Town Hall, Howell Avenue, Riverhead, New York on Tuesday, December 18, 2007 at 7:00 p.m.

**Present:**

Philip Cardinale,	Chairman
George Bartunek,	Member
Edward Densieski,	Member
Barbara Blass,	Member
John Dunleavy,	Member

**Also Present:**

Andrea Lohneiss,	CDA Director
Barbara Grattan,	Town Clerk

Chairman Cardinale: "And open the CDA meeting to consider resolutions 17 and 18. And Andrea Lohneiss our CDA director at least until January 9<sup>th</sup> when she's going onto bigger and better things, will call them."

Member Densieski: "Excuse me, Phil. Did you hand out copies of 18? I don't have- "

Chairman Cardinale: "Yeah, I did. I should comment on this."

(Some inaudible comments among the members)

Chairman Cardinale: "Let me explain what 18 is in case you have not seen it yet.

The town attorney is here, well, I'll do it because I know what it is. Andrea is about to call 17 and 18. Eighteen which is added is an authorization of a legal action against the New York State Department of Environmental Conservation.

The Department of Environmental Conservation as you know had

challenged for lead agency status on the Island Park site plan. We had said oh, not so fast. They- if there's a dispute between the DEC and the town, and this is what they call fair, the DEC commissioner makes the call and guess what? We lost. So we're asking a court to reconsider because it is significant that we maintain- we believe control over our site plans at the EPCAL site.

So that's what that is. And would you call 17? We've adjourned the meeting and the CDA is open."

Resolution #17

Andrea Lohneiss: "CDA Resolution #17 is a calling a public hearing on the Community Development Agency's designation of Riverhead Resorts LLC as a qualified and eligible sponsor for the purchase and development of approximately 755 acres located within the planned recreational park zoning district of the premises known as the Enterprise Park at Calverton (EPCAL) consistent with the goals and objectives of the Calverton Enterprise Park Urban Renewal Plan (1998) and ratifies the publication of public notice. The hearing being called for Thursday, December 27<sup>th</sup> at 2:15 p.m."

Member Blass: "So moved."

Member Bartunek: "And seconded. But, Andrea, in four years of sitting on this town board there is one little bit of criticism that I would like to offer and that's the length of the titles of these resolutions."

Andrea Lohneiss: "If you look on the third page, the resolution was prepared by Frank Isler."

Supervisor Cardinale: "He's wordy, he's a lawyer. He gets paid by the word or at least by the time it takes to fit them on a page."

Member Bartunek: "Seconded."

Chairman Cardinale: "Moved and seconded. Vote please."

The Vote: "Dunleavy, yes; Bartunek, yes; Blass, yes; Densieski."

Member Densieski: "I don't think we should be negotiating with Resorts. I think we took the better developer, Rexcorp, and put him aside."

But I think the bigger point today is doing major business before the new board members come on between Christmas and New Year's when a lot of people have scheduled and planned vacations. People are away. I just don't think lame duck board members should be making these big decisions. I think the new board members should be making these decisions. They are going to be here.

The people voted for them because of what they believed and what they campaigned on. I think it's bad government and bad business to do this major business during that time and I think Phil Cardinale said this and he said it well. If it's good today, it's good in two weeks. I just don't think we should be doing these things between now and the first of the year when the new board members come in. I have respect for the new board members who come in and the new town board.

I'm going to vote no."

The Vote (Cont'd.): "Cardinale."

Chairman Cardinale: "That is a perennial issue. I disagree. I vote yes."

Andrea Lohneiss: "Resolution 17 is adopted."

Resolution #18

Andrea Lohneiss: "Resolution 18 as previously described, authorizes legal action against the New York State DEC for property, however, not owned by the CDA, but owned by Island Water Park."

Member Densieski: "So moved."

Member Bartunek: "And seconded."

Chairman Cardinale: "Moved and seconded. Vote please."

The Vote: "Dunleavy, yes; Bartunek, yes; Blass, yes; Densieski, yes; Cardinale, yes."

Andrea Lohneiss: "Resolution 18 is adopted. Thank you."

Chairman Cardinale: "I'm going to close the meeting of the CDA. Thank you, Andrea."

Meeting adjourned: 8:10 p.m.

*Barbara Swetten*  
Town Clerk

December 18, 2007

TOWN OF RIVERHEAD

**Adopted**

CDA RESOLUTION # 17

A RESOLUTION CALLING A PUBLIC HEARING ON THE COMMUNITY DEVELOPMENT AGENCY'S DESIGNATION OF RIVERHEAD RESORTS LLC. AS A QUALIFIED AND ELIGIBLE SPONSOR FOR THE PURCHASE AND DEVELOPMENT OF APPROXIMATELY 755 ACRES LOCATED WITHIN THE PLANNED RECREATIONAL PARK ZONING DISTRICT OF THE PREMISES KNOWN AS THE ENTERPRISE PART AT CALVERTON (EPCAL), CONSISTENT WITH THE GOALS AND OBJECTIVES OF THE CALVERTON ENTERPRISE PARK URBAN RENEWAL PLAN (1998) AND RATIFIES THE PUBLICATION OF PUBLIC NOTICE

**COUNCILWOMAN BLASS**

\_\_\_\_\_ offered the following  
**COUNCILMAN BARTUNEK**

resolution, which was seconded by \_\_\_\_\_

WHEREAS, the Town of Riverhead Community Development Agency owns, among other properties at the Enterprise Park at Calverton, some 755 acres of property located in the Planned Recreational Park Zone, south of Route 25, Calverton, New York; and

WHEREAS, RIVERHEAD RESORTS LLC. has submitted to the Community Development Agency (the "Agency") a proposal for the redevelopment of the approximately 755 acres of property as a multi-use resort destination comprised of uses described in the Hotel-Conference Center Subdistrict, the Sports Park Subdistrict and the Family Entertainment Center Subdistrict of the Zoning Code.

WHEREAS, the Agency is considering designating RIVERHEAD RESORTS LLC, a limited liability company formed under the laws of the State of New York, as the "qualified and eligible sponsor (the "Sponsor"), pursuant to Section 507 (2) (d) of the General Municipal Law and in accordance with the established rules and procedures of the Agency; and

WHEREAS, by resolution of the Town Board, the Riverhead Development Corporation no longer has an initial review function with respect to proposals affecting the EPCAL property; and

WHEREAS, the Town is considering selling approximately 755 acres of the Planned Recreational Park Zone property to RIVERHEAD RESORTS LLC in order to facilitate this urban renewal project pursuant to a certain Agreement by and between the Town and RIVEHREAD RESORTS LCC, a copy of a draft of which is on file in the Office of the Town Clerk of the Town of Riverhead and is available for public inspection during regular business hours, which Agreement provides for the purchase price of the approximately 755 acres for no less than

\$ 155,000,000.00, for redevelopment as a multi-use destination resort space; and

WHEREAS the draft Agreement on file in the Office of the Town Clerk of the Town of Riverhead further provides RIVERHEAD RESORTS LLC with a right of first refusal to purchase additional property located in the Planned Recreational Park District at 107% of the price offered to the Agency by a bona fide purchaser.

WHEREAS, Section 507(2)(d) of the General Municipal Law requires that a public hearing, following at least ten (10) days public notice, be held by the Agency on the question of designating RIVERHEAD RESORTS LLC the Sponsor for the redevelopment of the aforesaid properties; and

WHEREAS, the Agency now desires to call a public hearing on the designation of RIVERHEAD RESORTS LLC as the Sponsor for the redevelopment of and the sale of the Town owned or to be owned portions of the property;

NOW, THEREFORE BE IT RESOLVED,

A public hearing will be held at the Riverhead Town Hall, 200 Howell Street, Riverhead, New York on December 27, 2007 at 2:15 pm, prevailing time, on the question of designating RIVERHEAD RESORTS LLC the Sponsor for the redevelopment of the approximately 755 acres of Planned Recreational Park District property located in EPCAL south of Route 25, Calverton, New York, consistent with the Calverton Enterprise Park Urban Renewal Plan (1998), and to hear all persons interested in the subject thereof, concerning the same, and to take such action thereon as is required or authorized by law; and it is further

RESOLVED, that the Town Clerk's publication of the attached notice of public hearing in the December 13, 2007 edition of the *News Review*, the newspaper hereby designated as the official newspaper for this purpose and one having general circulation in and available to residents to the Town, is hereby ratified. Such publication has been made no less than ten (10) days before the date designated for the public hearing. The Clerk is further authorized and directed to cause a copy of such notice of public hearing to be posted in such places as she deems appropriate under the circumstances, such posting to be done not less than ten (10) days before the date designated for the public hearing; and it is further

RESOLVED, that the Town Clerk is hereby directed to forward a certified copy of this resolution and attached notice to Smith, Finkelstein, Lundberg, Isler & Yakaboski, LLP., 456 Griffing Avenue, Riverhead, New York 11901, Don Secunda, Esq., Weber Law Group, 201 North Service Road, Suite 300, Melville, New York 11747-3126; Andrea Lohneiss, Director of the Community

Development Agency; Richard Hanley, Director of Planning; and Dawn C. Thomas, Esq., Town Attorney.

THIS RESOLUTION HAS BEEN PREPARED BY FRANK A. ISLER, SPECIAL COUNSEL.

THE VOTE

Dunleavy  yes \_\_\_ no Bartunek  yes \_\_\_ no  
Blass  yes \_\_\_ no Densieski  yes \_\_\_ no  
Cardinale  yes \_\_\_ no

THE RESOLUTION  WAS \_\_\_ WAS NOT  
THEREFORE DULY ADOPTED

Notice of Public Hearing  
Town of Riverhead Community Development Agency  
Town of Riverhead, Suffolk County, New York

NOTICE IS HEREBY GIVEN, that the Town of Riverhead Community Development Agency, Town of Riverhead, Suffolk County, New York (the "Agency") will hold a public hearing at the Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York on December 27, 2007 at 2:15 pm, prevailing time, pursuant to General Municipal Law 507(2)(d) for the purpose of considering whether the RIVERHEAD RESORTS LLC should be designated the "qualified and eligible sponsor" for the redevelopment of approximately 755 acres of the EPCAL site located within the Planned Recreational Park District and whether the portion of said property currently owned by the Town of Riverhead Community Development Agency should be sold to the RIVERHEAD RESORTS LLC pursuant to a certain agreement between the Agency and RIVERHEAD RESORTS LLC, a draft of which agreement is on file in the office of the Town Clerk of the Town of Riverhead and is available for public inspection during regular business hours for a sales price of no less than \$ 155,000,000.00 for the redevelopment of the property as a multi-use destination resort, consistent with the goals and objectives of the Calverton Enterprise Park Urban Renewal Plan (1998).

The aforesaid draft agreement on file in the Office of the Town Clerk of the Town of Riverhead also provides RIVERHEAD RESORTS LLC with a right of first refusal to purchase additional property located in the Planned Recreational Park District at 107% of the price offered to the Agency by a bona fide purchaser.

At said public hearing, the Community Development Agency will hear all persons interested in the subject matter thereof.

Dated: Riverhead, New York  
December 13, 2007

BY ORDER OF THE TOWN BOARD OF  
THE TOWN OF RIVERHEAD AS THE  
GOVERNING BODY OF THE TOWN OF  
RIVERHEAD COMMUNITY  
DEVELOPMENT AGENCY.

Barbara Grattan, Town Clerk

12/18/07

Adopted

TOWN OF RIVERHEAD

Resolution # 18

AUTHORIZES LEGAL ACTION AGAINST THE NEW YORK STATE  
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

COUNCILMAN DENSIESKI offered the following resolution was seconded  
by COUNCILMAN BARTUNEK:

WHEREAS, the Town Board and the New York State Department of Environmental Conservation (DEC) have been engaged in a dispute regarding establishing State Environmental Quality Review Act (SEQRA) "lead agency" status in connection with the application of Island Water Park Inc., to amend their site plan approval, and

WHEREAS SEQRA requires that such disputes be submitted to the Commissioner of the DEC for a determination pursuant to 6 NYCRR Part 617.6(b)(5), and

WHEREAS, the dispute was submitted to the DEC Commissioner as required on June 28, 2007. The matter was fully submitted for consideration as of July 9, 2007, and

WHEREAS, the matter was decided by the DEC Commissioner on December 13, 2007 in favor of the DEC,

NOW, THEREFORE

BE IT HEREBY RESOLVED, that Dawn C. Thomas, Town Attorney for the Town of Riverhead is authorized to institute legal action in the name of the Town of Riverhead and the Town of Riverhead Community Development Agency regarding the aforementioned December 13, 2007 determination of the DEC Commissioner regarding the Matter of Island Water Park, Inc.; and be it further

RESOLVED, that a copy of this resolution be forwarded to the Town Clerk, Office of the Town Attorney and the Office of Accounting.

**THE VOTE**

Dunleavy  yes  no Bartunek  yes  no  
Blass  yes  no Densieski  yes  no  
Cardinale  yes  no

THE RESOLUTION  WAS  WAS NOT  
THEREFORE DULY ADOPTED