

Adopted

Resolution Dated: July 6, 2005

TOWN OF RIVERHEAD

COMMUNITY DEVELOPMENT AGENCY

Resolution # 15

A RESOLUTION DESIGNATING KENNETH I. WILPON, AS AGENT, INC., AS A QUALIFIED AND ELIGIBLE SPONSOR FOR THE ACQUISITION AND DEVELOPMENT OF 755 +/- ACRES OF THE PROPERTY COMMONLY KNOWN AS EPCAL FOR REDEVELOPMENT CONSISTENT WITH THE USES PERMITTED IN THE PLANNED RECREATIONAL PARK ZONING USE DISTRICT FOR HOTEL CONVENTION CENTER AND GOLF COURSE SUBDISTRICTS

Member Bartunek offered the following resolution,

which was seconded by Member Blass:

WHEREAS, the Town of Riverhead Community Development Agency (the "Agency") is the owner of an approximately 1980 acre parcel of land, together with the buildings located thereon, property formerly known as the Naval Weapons Industrial Reserve Plant and commonly known as the EPCAL Property, located on the south side of Middle Country Road (NYS Route 25), Calverton, New York and identified as SCTM 0600-135-01-007.33, said property being depicted upon "Schedule A" annexed hereto and made a part hereof, and hereinafter referred to as the "EPCAL Site", a portion of which is located within an Economic Development Zone duly designated as such pursuant to the New York State Economic Development Zones Act, being Article 18-B of the General Municipal Law; and

WHEREAS, there has been submitted to the Agency a proposal for, and the Agency is considering, (i) designating Kenneth I. Wilpon, As Agent, Inc., a corporation duly formed under the laws of the State of New York, the "Qualified and Eligible Sponsor (the "Sponsor"), pursuant to Section 507(2)(c) and (d) of the General Municipal Law and in accordance with the established rules and procedures provided by the Agency, for the redevelopment of approximately 755 acres of the EPCAL Site as depicted upon Schedule B, and hereinafter referred to as "the Property", consistent with the uses permitted in the Planned Recreational Park Zoning Use District for Hotel Convention Center and Golf Course Subdistricts adopted by the governing board of the Agency on September 7, 1999; and (ii) selling the Property, pursuant to Sections 507(2)(d), 556(2) and 968(b) of the General Municipal Law, to Kenneth I. Wilpon, As Agent, Inc., pursuant to a certain Agreement of Sale by and between the Agency and Kenneth I. Wilpon, As Agent, Inc., a draft of which Agreement of Sale 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 (the "Agreement of Sale"), for

Sixty-Six Million Dollars (\$66,000,000.00) for redevelopment by Kenneth I. Wilpon, As Agent, Inc., as a major hotel destination resort and convention center, with two championship golf courses and 108 upscale homes for persons aged 55 and over, and a year round golf academy all in conformance with current zoning requirements; and

WHEREAS, Sections 556(2), 507(2)(c) and (d) and 968(b) of the General Municipal Law require that a public hearing, following at least ten (10) days public notice, be held by the Agency on the question of designating Kenneth I. Wilpon, As Agent, Inc. the Sponsor for the redevelopment of the Property and selling said Property to Kenneth I. Wilpon, As Agent, Inc.; and

WHEREAS, the Agency, pursuant to Article 8 of the Environmental Conservation Law and the regulations promulgated thereunder by the State Department of Environmental Conservation ("SEQRA"), declared itself "lead agency" by Resolution #9 dated April 5, 2005 for the sale of the Property to Kenneth I. Wilpon, As Agent, Inc., determined such sale of the Property to be an Unlisted Action pursuant to SEQRA, caused to be prepared therefore an Environmental Assessment Form pursuant to SEQRA and determined that such sale of the Property is without significant adverse impacts to either the natural or social environment and that an Environmental Impact Statement need not be prepared pursuant to SEQRA; and

WHEREAS, on April 19, 2005 and May 17, 2005, the Agency duly held said public hearing on the designation of Kenneth I. Wilpon, As Agent, Inc as Sponsor for the redevelopment of the Property and the sale of the Property by the Agency to Kenneth I. Wilpon, As Agent, Inc. as Sponsor, after the requisite public notice; and

WHEREAS, a majority of the Town Board of the Town of Riverhead, acting as Members of the Agency, attended such public hearing;

NOW THEREFORE, BE IT RESOLVED, by the Members of the Agency, as follows:

Section 1. Based upon the public hearing held at Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York in said Town on April 19, 2005 at 7:10 P.M., Prevaling Time, adjourned and continued on May 17, 2005 at 7:00 P.M., upon all supplemental documentation and information received by the Agency and upon the opinion of independent special counsel on the question of designating Kenneth I. Wilpon, As Agent, Inc. the Sponsor for the redevelopment of the Property, the Agency hereby determines to designate Kenneth I. Wilpon, As Agent, Inc. the Qualified and Eligible Sponsor pursuant to Section 507(2)(d) of the General Municipal Law for the redevelopment of the Property.

Section 2. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to negotiate the terms and conditions of the Agreement of Sale to properly effectuate the sale of the Property by the Agency to Kenneth I. Wilpon, As Agent, Inc. in accordance with this Resolution.

Section 3. Prior to the execution of the Agreement of Sale, the final form and substance of the Agreement of Sale for said Property shall be agreed upon by the Governing Body of the Agency and a Resolution shall be adopted by the Agency authorizing the Chairman to take all actions necessary to effectuate the sale of the Property to Kenneth I. Wilpon, As Agent, Inc.

Section 4. The Chairman of the Agency is hereby authorized and directed to distribute copies of this Resolution to Kenneth I. Wilpon, As Agent, Inc. and to do such further things and perform such acts as may be necessary or convenient to implement the provisions of this Resolution and the negotiation of the Agreement of Sale.

Section 5. This Resolution shall take effect immediately.

The Vote:

Member Bartunek	<u>yes</u>
Member Sanders	<u>yes</u>
Member Blass	<u>yes</u>
Member Densieski	<u>no</u>
Chairman Cardinale	<u>yes</u>

THE VOTE
Bartunek yes ___ no Sanders yes ___ no
Blass yes ___ no Densieski ___ yes no
Cardinale yes ___ no
THE RESOLUTION WAS ___ WAS NOT
THEREFORE DULY ADOPTED