

Minutes of a Community Development Meeting held by the Town Board of the Town of Riverhead at Town Hall, 200 Howell Avenue, Riverhead, New York, on Tuesday, November 6, 2002 at 2:00 p.m.

Present:

Robert Kozakiewicz,	Chairman
Edward Densieski,	Member
James Lull,	Member
Barbara Blass,	Member
Rose Sanders,	Member

Also Present:

Andrea Lohneiss,	Director
Barbara Grattan,	Town Clerk
Sean Walter, Esq.,	Town Attorney

Member Kozakiewicz: "Convene the CDA portion of the meeting."

Resolution #16

Andrea Lohneiss: "Resolution 16, Supervisor, you want to read the title of that one?"

Chairman Kozakiewicz: "Yes. Authorizes Chairman to execute license agreement with East End Event Management, Inc. doing business as quote The New York Air Show, end of quote.

Is there a motion to move this?"

Member Densieski: "Motion to move resolution."

Chairman Kozakiewicz: "Is there a second?"

Member Lull: "And seconded."

Chairman Kozakiewicz: "Motion to second. Discussion?"

Member Sanders: "Discussion. We agree then attached to this there is no plan of operation and that we don't have any of the specifics but we're going to- and this is going to authorize an agreement that has unknown- "

Member Blass: "Parameters."

Member Sanders: "Parameters, thank you. Is that correct?"

Chairman Kozakiewicz: "We know that the date that's being locked in for the event is the 19th and 20th of September, that they are looking to gain access to the facility on the 16th through the 23rd. We know that as a result of discussions with our insurance representatives that they will be required to obtain insurance as set forth in the agreement in the amount of not less than \$10 million."

Member Blass: "Twenty million."

Member Sanders: "Twenty million."

Chairman Kozakiewicz: "Twenty million, I'm sorry. They- we know that they will be required to deposit with the town the sum of \$10,000 for police services and in addition thereto they will be required to pay for the police as far as any crowd- I can't talk- traffic or crowd control, at \$75.00 per hour, \$100.00 per hour for vehicle used. That they will be required to make an arrangement with Manorsville as far as fire protection and if they fail to do any of these things, that the license agreement shall be null and void."

I am not going to sign it until I gain a full sense of satisfaction that all of these things are being adhered to, that all of these matters are being addressed satisfactorily by the licensee, including but not limited to the things I've mentioned as well as gaining all the necessary permits, whether they be a public gathering permit from Suffolk County Department of Health Services. So, we know those things are spelled out there.

What we don't have clarified right now is the flights that are going in, how many static air displays there will be. That we don't know."

Member Sanders: "Could we include a clause that states that if the permits, insurance and all the other specifics are not completed by a specific period of time, a month prior to the event, then we can void the contract, void the agreement? We have been in the position before where we have entered into and received- "

Chairman Kozakiewicz: "Absolutely."

Member Sanders: "-- and we're at the 11th hour scrambling to do certain things that are not within- "

Member Lull: "That's not a problem. I- the only question I had- I dug my heels in a little bit and we talked about this at work session was, excuse me, was requiring a Chapter 90 earlier than let's say a month, simply because that requires- the Chapter 90 requires the insurance certificate. The insurance certificate which will be handled- the insurance will be handled by a national air show insurer. They do just air shows. And it will be handled by an air show insurer. The price of such insurance is somewhere in the neighborhood of \$15,000 a month. So rather than having that apply for more than one month, I mean once the certificate is agreed upon, and that will be available but I think everything should be done well more than that.

As a matter of fact, you had the promise of the two principals here and about six or seven people on this committee, all of whom are in agreement that if we are not- if we're six months out, March, from this project, and it isn't gaining the kind of talent and procedure that it needs, then it will cease to become, the 2003 Air Show, and they will come back and ask for a 2004 Air Show."

Member Sanders: "I would like to have that in the contract if that's possible."

Chairman Kozakiewicz: "Well, the contract is going to be further modified."

Andrea Lohneiss: "Right, the contract was drafted- "

Chairman Kozakiewicz: "This is not the final form of the agreement so there is going to be more language added to this. This- I am not signing the agreement as it is with blanks and other issues not resolved. So this is just to authorize the execution of an agreement.

By all means, just let me make it clear and reiterate. I'm not signing it the way it is.

Also, one thing that I think is important to keep track of is the fact that we will have a Town Board member, Jim Lull, sitting in on all the meetings. He has done so already, so that we will have instantaneous feedback if there are problems being encountered with respect to moving this project forward. And we'll probably have a better idea once they also go to the show, the- "

Member Densieski: "Las Vegas."

Chairman Kozakiewicz: "The Las Vegas Convention, whether there's any receptiveness to it. So, I think your concerns that there be a drop dead date and certain controls are well put and certainly something that I think we will ask Jim, Councilman Lull, to report back to us and if there's anybody else that wishes to, you know, I guess oversee that, too, they can."

Member Lull: "And, oh sure, anybody who wants to. And, I guess what is- there are about I would say between 1,500 and 2,000 air shows in this country a year, sanctioned- sanctioned air shows, not somebody in somebody's back yard. But there are a large number of these and fortunately for us as far as this date are concerned, there are only two or three on this date anywhere else in the country. So the talent probably will be available."

They have to qualify for the insurance. They know that. They have an air boss who runs the whole thing, takes care of the runway and makes sure everything is ship shape as far as that's concerned, hire somebody to do that. So that it becomes basically about four hours worth of flying on each day for two days and about eight hours worth of carnival and amusements, and some static displays that will involve several things."

Member Sanders: "Well, because I'm very supportive of the recipient of this- of the proceeds from this event, I am in favor of. However, I also want to assure the fact that the town does not get itself into a situation where we are obligated and then some responsibilities of the people who are running the event become our responsibilities. I cannot support it as- at that point."

Member Lull: "No, I would agree with you."

Member Sanders: "So, I need that- those are the assurances that I need."

Chairman Kozakiewicz: "I would suggest if maybe we put some language in to that effect so that there's a clear statement that this is a license agreement and that the promoter is solely responsible for the acts and the town does not- "

Member Lull: "Oh, yeah."

Chairman Kozakiewicz: "-- take on any responsibility and that's clearly understood by the parties to the agreement."

Member Lull: "Yes."

Chairman Kozakiewicz: "Okay?"

Member Sanders: "Yup. Thank you."

Chairman Kozakiewicz: "Any other discussion? Not being none, vote, please."

The Vote: "Sanders, yes; Blass, yes; Densieski."

Member Densieski: "Yes. I think my fellow Board members have said the town has to have complete control and make sure that the applicant receives all liability is absolutely correct. But I do trust the Supervisor to (inaudible) us legally. I also trust Councilman Lull to sit on the board and make sure it's going to be a fine affair.

I think this does fit in with Riverhead's attempt to be tourist (inaudible) with agra-tourism and downtown Riverhead and the aquarium and up at Calverton we do have the Suffolk County Fair which brings in a lot of people, a lot of revenue for the town especially trickle down business-wise. The North Fork Classic which has been very successful on the Calverton property and the New York Air Show.

These won't have to compete against each other, it's not one or the other. They can all co-exist there and they can all bring tourists to Riverhead and I support them. I think this will be a huge success because we had a limited air show there this year, Jan Burman had it, and it was very successful and most of it was static displays as Jim pointed out.

The reason I think we have to act on this today is because it takes about a year to do all of these properly, to get all the acts, the air show acts and the static displays, it takes about a year. So they need a resolution to go out and raise money because it's going to cost hundreds of thousands of dollars which is their responsibility and they have to sign quality acts and it takes about a year to do that.

Rose points out she doesn't want to see 11th hour scramble. Nobody does, but if anybody that runs a festival like Mr. Lull the country fair, sometimes last minute details have to be taken care of at the 11th hour. We want to make sure it's an organized function and the town has complete control over it.

And, hey, like Rose said, Central Suffolk Hospital is going to be the benefactor and I think that's a good benefactor. So I'm going to vote yes."

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

Member Lull: "And I would add that we have facts and figures on preliminary budgets which would include- which would include the fact that the Central Suffolk Hospital under a worse case scenario, figure a two day rainy scenario, will get as much as \$50,000. If it's a really good day, they could get as much as \$700,000. So it certainly is something to be gained by that."

And, secondly, if I'm not correct, there have been sanctioned air shows in this country for more than 50 years and I don't believe that any sanctioned air show has ever included a spectator death. Yes."

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

Chairman Kozakiewicz: "Yes. My colleagues' comments are well taken. This has got to be closely scrutinized, closely monitored and time tables kept."

I do just want to make one comment with one of the issues brought up by one of the speakers earlier about the North Fork Classic. I don't think anyone on this Town Board has indicated to them that they don't want to make it a more permanent event and to insinuate that we're trying to chase them away, I think was somewhat unfair inference if that was the inference (inaudible).

Because, quite frankly, we've been waiting for them to present a more cohesive thought out plan and I think if they do that and I throw that out to anybody who knows North Fork Classic, tell them to come back with a good plan and I think we'll be talking about a more longer term arrangement.

But on this, yes."

Andrea Lohneiss: "Okay. Resolution 16 is adopted."

Resolution #17

Andrea Lohneiss: "Resolution 17 authorizes the Chairman of the CDA to execute a contract with New York State Development- I'm sorry, Department of Economic Development for this year, 2002-2003 Empire

Zone Administrative Grant."

Chairman Kozakiewicz: "Is there a motion?"

Member Sanders: "So moved."

Member Lull: "And second."

Chairman Kozakiewicz: "Discussion."

Member Blass: "Discussion. Mr. Supervisor, in revealing this during work session we did have a- two items of concern, one was that the agreement indicated that Suffolk County was the entity that had established the local Empire Zone Administrative Board and I think we were all under the impression that it was the town of Riverhead and that the new agreement should indeed reflect that the town of Riverhead- "

Chairman Kozakiewicz: "Yes, actually what I would for the record ask on the agreement between the New York State Department of Economic Development that it be amended so that the second Whereas substitute the words in as follows: The Town of Riverhead Community Development Agency parenthesis the quote Town end of quote Town parenthesis instead of what currently appears in (inaudible)."

Member Blass: "Thank you. And the other comment, I think, had to do with the budget that had been previously adopted and this particular contract does not jive numbers-wise I don't believe with the authorization for the budget application- the grant application."

Chairman Kozakiewicz: "It- the total is \$24,000."

Member Blass: "That's correct."

Chairman Kozakiewicz: "Right."

Member Blass: "It was the distribution of the- "

Chairman Kozakiewicz: "This is the correct way to describe it, is that correct, Andrea?"

Andrea Lohneiss: "That's right."

Chairman Kozakiewicz: "Yeah."

Member Blass: "Okay. So then our previous resolution was- "

Andrea Lohneiss: "No. I believe that the previous resolution referred to \$24,000 from the town."

Chairman Kozakiewicz: "That's correct."

Andrea Lohneiss: "But that's made up of 23,5 in kind plus 500 in cash to make up for- "

Chairman Kozakiewicz: "Yeah, I think it may have described it as \$24 in kind."

Member Blass: "24 in kind was the previous one."

Andrea Lohneiss: "Oh, okay."

Member Blass: "So I'm just noting that this is- "

Chairman Kozakiewicz: "So this is the way it should be correctly- "

Andrea Lohneiss: "I believe, so. Yes."

Chairman Kozakiewicz: "All right."

Member Blass: "Okay. That was all I had, Mr. Supervisor. Thank you."

Chairman Kozakiewicz: "Okay. Any other discussion? Vote."

The Vote: "Sanders, yes; Blass, yes; Densieski, yes; Lull, yes; Kozakiewicz, yes. Resolution 17 is adopted."

Chairman Kozakiewicz: "Thank you. Any other business?"

Andrea Lohneiss: "No."

Chairman Kozakiewicz: "Okay. Thank you. I declare the CDA portion closed."

Meeting adjourned: 3:59 p.m.

Barbara Lutton
Town Clerk

11/6/02

Town of Riverhead Community Development Agency

Resolution # 16

Authorizes Chairman to Execute License Agreement with East End Event Management, Inc. d/b/a "The New York Air Show"

Member **COUNCILMAN DENSIESKI** offered the following resolution,

which was seconded by Member **COUNCILMAN LULL**:

WHEREAS, East End Event Management, Inc. has requested use of the Calverton site to host an air show to benefit Central Suffolk Hospital from September 19, 2003 to September 23, 2003; and

WHEREAS, the Town of Riverhead is supportive of such community-oriented events that will result in positive exposure of the Calverton Enterprise Park and the entire Town of Riverhead.

THEREFORE, BE IT RESOLVED, that CDA hereby authorizes the Chairman to execute a license agreement with East End Event Management, Inc..

AND BE IT FURTHER RESOLVED, that the Town Clerk shall provide a certified copy of this resolution to Community Development Agency Director Andrea Lohneiss, Town Attorney Dawn Thomas and Steve Kirshenbaum, East End Event Management, Inc.

The Vote:

Member Sanders	<u>Yes</u>
Member Blass	<u>Yes</u>
Member Densieski	<u>Yes</u>
Member Lull	<u>Yes</u>
Chairman Kozakiewicz	<u>Yes</u>

THE VOTE

Sanders	___ Yes ___ No	Blass	___ Yes ___ No
Densieski	___ Yes ___ No	Lull	___ Yes ___ No
Kozakiewicz	___ Yes ___ No		

THE RESOLUTION WAS ___ WAS NOT ___
THEREUPON IT WAS ADOPTED

Town of Riverhead Community Development Agency

Resolution # 17

Authorizes Chairman of CDA to Execute a Contract with New York State Department of Economic Development for the 2002-2003 Empire Zone Administrative Grant

Member Sanders _____ offered the following resolution,

which was seconded by Member Lull _____:

WHEREAS, the Town of Riverhead Community Development Agency is the administrative agency for the local Empire Zone Administrative Board known as the Calverton Economic Development Zone Board; and

WHEREAS, the New York State Department of Economic Development has awarded \$47,000 to the CDA for administrative costs associated with marketing and operation of the zone; and

WHEREAS, the Town of Riverhead will provide \$23,500 in in-kind services and Suffolk County will provide cash in the amount of \$23,000 in conjunction with \$500 cash provided by the Town of Riverhead for a total annual budget of \$94,000;

THEREFORE, BE IT RESOLVED, that the CDA hereby authorizes the Chairman to execute a contract for funds in the amount of \$47,000 for year 2002 - 2003.

AND BE IT FURTHER RESOLVED, that the Town Clerk shall provide a certified copy of this resolution to Community Development Director Agency Andrea Lohneiss, Empire Zone Coordinator Tracy Stark and Zone Board Chairman Lori Taggart.

The Vote:

Member Sanders
Member Blass
Member Densieski
Member Lull
Chairman Kozakiewicz

Yes
Yes
Yes
Yes
Yes

THE VOTE
Sanders ___ Yes ___ No ___ Class ___ Yes ___ No
Densieski ___ Yes ___ No ___ Lull ___ Yes ___ No
Kozakiewicz ___ Yes ___ No
THE RESOLUTION WAS NOT
THEREUPON ADOPTED