

2/20/01minutes

Minutes of a Community Development Agency Meeting held by the Town Board of the Town of Riverhead, at Town Hall, 200 Howell Avenue, Riverhead, New York, on Tuesday, February 20, 2001, at 7:00 P.M.

Present:

Robert Kozakiewicz,	Chairman
Philip Cardinale,	Member
James Lull,	Member
Edward Densieski,	Member

Also Present:

Andrea Lohneiss,	Director
Barbara Grattan,	Town Clerk
Dawn Thomas, Esq.,	Town Attorney
Scott DeSimone, Esq.,	Town Attorney

Absent:

Christopher Kent,	Member
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Chairman Kozakiewicz called the meeting to order at 8:59 p.m.

Chairman Kozakiewicz: "The time still being for the record, 8:59."

Andrea Lohneiss: "Andrea Lohneiss, Community Development Agency Director."

Resolution #3

Andrea Lohneiss: "Resolution #3 amends a previous resolution which was approved on September 5th, then authorizing the Chairman to execute and agreement with a company called Kamco Supply that was for one building. The amendment is to include two additional buildings for a total square footage of 55,026 square feet."

Member Cardinale: "So moved."

Member Densieski: "Second the motion."

Chairman Kozakiewicz: "Moved and seconded."

2/20/01minutes

The Vote: "Densieski, yes; Cardinale, yes; Lull, yes; Kozakiewicz, yes. The resolution is adopted."

Resolution #4

Andrea Lohneiss: "Resolution #4 the subject of the previous question. It had come to the attention of the DEC which monitors the discharge at the Calverton Sewage Treatment Plant that the flow had drastically reduced since the time that the Grumman Corporation was there. The flows at that time were approximately 30,000 gallons per day, now they're approximately 10,000 gallons per day. The town pays a consultant to test and report to the DEC on a regular basis. The DEC suggested that we modify our permit to require less testing than is presently required. That will save the town some money.

It was the DEC's recommendation- or requirement that we post this notice prior to their approving the modification to our present SPDES permit."

Member Lull: "So moved."

Member Cardinale: "Seconded."

Supervisor Kozakiewicz: "Moved and seconded."

The Vote: "Densieski, yes; Cardinale, yes; Lull, yes; Kozakiewicz, yes. That resolution is adopted."

Chairman Kozakiewicz: "Any other business?"

Andrea Lohneiss: "No."

Chairman Kozakiewicz: "Okay. At this time, I declare the CDA portion closed, the time of 9:01 having arrived."

Meeting closed: 9:01 p.m.

Barbara Grattan
Town Clerk

Adopted

Resolution # 3

Amends CDA Resolution #22 of September 5, 2000 Authorizing Chairman to Execute License Agreement with Kamco Supply Company

Member COUNCILMAN CARDINALE offered the following resolution,

which was seconded by Member COUNCILMAN DENSIESKI

WHEREAS, the CDA authorized the execution of a License Agreement with Kamco Supply Company for the UTTAS Building (06-49), 16,000 square feet; and.

WHEREAS, Kamco now also desires Building 06-15 (16,825 square feet) and Building 06-66 (22,201 square feet) for a total of 55,026 square feet.

WHEREAS, the Town Board desires to encourage additional jobs and revenue to the Town pending closing on the property by the Buyer; and

WHEREAS, this Town Board has balanced such interests and hereby makes the following findings:

1. The proposed license agreements are of short duration;
2. That proposed uses under the license agreements are consistent with the objectives of the Town's Zoning Ordinance;
3. There is a clear mutuality of purpose and goals in this action being that the same elected representatives serve as members of the CDA and the Town Board; and

WHEREAS, the CDA will realize net income at the rate of \$5 per square foot of \$22,928 per month during the license period;

THEREFORE, BE IT RESOLVED, that the CDA hereby authorizes the Chairman to execute the license agreement substantially in the form attached hereto beginning March 1, 2001 for up to six months.

AND BE IT FURTHER RESOLVED, that the License Agreement is to be executed upon issuance of a use permit by the Building Department and site plan approval by the Town Board.

AND BE IT FURTHER RESOLVED, that the Town Clerk shall provide a certified copy of this resolution to Community Development Agency Director Andrea Lohneiss and Ray Barter, Kamco Supply Company.

The Vote:

Member Densieski
 Member Cardinale
 Member Kent
 Member Lull
 Chairman Kozakiewicz

Yes
 Yes
 Absent
 Yes
 Yes

Town of Riverhead Community Development Agency

Adopted

Resolution # 4

Authorizes Publication of Notice

COUNCILMAN LULL

Councilman _____ offered the following resolution,

which was seconded by Councilman **COUNCILMAN CARDINALE**

WHEREAS, the New York State Department of Environmental Conservation (DEC) finds that present flows at the Calverton Sewage Plant are minimal and that the production of several organic compounds is significantly reduced due to the level and type of industrial activity at Calverton and therefore has requested publication of the attached notice for modification of an existing State Pollutant Discharge System (SPDES) permit.

THEREFORE, BE IT RESOLVED; that the Riverhead Town Board hereby authorizes publishing and posting of the attached public notice in the Thursday, February 22, 2001 issue of the News Review and to post same on the signboard in Town Hall.

THEREFORE, BE IT FURTHER RESOLVED, that the Town Clerk shall provide a certified copy of this resolution to Community Development Agency Director Andrea Lohneiss, Richard Ehlers, Esq., Frank Russo, H2M and Frank Palmieri.

THE VOTE

Densieski Yes No Cardinale Yes No

Kent Yes No Lull Yes No

Kozakiewicz Yes No

THE RESOLUTION WAS WAS NOT

THEREUPON DULY ADOPTED

Notice of Complete Application

Date: February 01, 2001

Applicant: RIVERHEAD COMMUNITY DEVELOPMENT AUTHORITY
200 HOWELL AVENUE
RIVERHEAD, NY 11901

Facility: CALVERTON ENTERPRISE PARK
4062 GRUMMAN BOULEVARD
CALVERTON, NY 11933

Application ID: 1-4730-01057/00001

Permis(s) Applied for: 1 - Article 17 Titles 7 & 8 Industrial SPDES

Project is located: in RIVERHEAD in SUFFOLK COUNTY

Project Description:

The Department has made a tentative determination to modify an existing State Pollutant Discharge Elimination System (SPDES) permit for the facility known as the Calverton Enterprise Park, formerly known as the Naval Weapons Industrial Reserve Plant (DEC No. 1-4730-00013/00034). This permit covers multiple outfalls discharging to surface waters and groundwater. These discharges include a variable amount of treated process and sanitary wastewater from an existing sewage treatment plant to the Peconic River by way of McKay Lake; stormwater runoff and non-contact cooling water from four additional outfalls to an unnamed pond, and stormwater and non-contact cooling water from seven outfalls to groundwater. The modification involves the elimination of sampling and monitoring requirements for several organic compounds which are no longer produced due to the cessation of most industrial activity at the facility. The site is located in Calverton, Town of Riverhead.

State Environmental Quality Review (SEQR) Determination.

Project is an Unlisted Action and will not have a significant impact on the environment. A Negative Declaration is on file. A coordinated review was not performed.

SEQR Lead Agency None Designated

State Historic Preservation Act (SHPA) Determination

Cultural resource lists and map have been checked. No registered, eligible or inventoried archaeological sites or historic structures were identified at the project location. No further review in accordance with SHPA is required.

Availability For Public Comment:

Comments on this project must be submitted in writing to the Contact Person no later than 03/16/2001

Contact Person

GEORGE W. HAMMARTH
NYSDEC
SUNY @ STONY BROOK BUILDING 40
STONY BROOK, NY 11790-2356
(631) 444-0365

LICENSE

License ("License"), made as of the ___ day of _____, 2001, by and between the Town of Riverhead Community Development Agency, having an address at 200 Howell Avenue, Riverhead, NY 11901, Attention: Andrea Lohneiss ("Licensor") and Kamco Supply Company, a corporation having an address at: 80-21st Street, Brooklyn, NY 11232; Attention: Alan Sverdlick ("Licensee").

W I T N E S S E T H

WHEREAS, Licensor desires to license to Licensee, and Licensee desires to license to Licensor; the right to use approximately 16,000 square feet in Building 06-49, 16,825 square feet in Building 06-15 and 22,201 square feet in Building 06-56 as depicted on Exhibit A (the "License Premises") located at the property formerly known as the Naval Weapons Industrial Reserve Plant, Department of Defense Number 466, Calverton, New York (the "Calverton Site"), upon all of the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, Licensor and Licensee, for themselves, their successors and assigns, hereby agree as follows:

1. LICENSING. Upon the terms and conditions hereafter set forth, Licensor hereby licenses to Licensee, and Licensee hereby licenses from Licensor, the right to use the License Premises:

2. TERM OF LICENSE. The term of this License (the "Term") shall commence on March 1, 2001 (the "License Commencement Date") and shall end on the earlier of (a) August 31, 2001 and (b) the date on which the closing shall occur under that certain Agreement of Sale dated as of June 15, 1999 between Licensor and Calverton Camelot LLC (in either case, the "Expiration Date") or such earlier date upon which this License shall expire or be canceled or terminated pursuant to any of the conditions or covenants of this License or pursuant to law. Notwithstanding anything to the contrary contained in this License, Licensor shall have the right, exercisable in its sole discretion, to terminate this License effective immediately upon written notice from Licensor to Licensee, if (i) Licensee shall default under or be in breach of in any of its obligations, representations or warranties hereunder and (ii) such default continues for (x) five days after written notice from Licensor with respect to monetary defaults or (y) thirty days after written notice from Licensor with respect to nonmonetary defaults. If Licensor shall so terminate this License, from and after the termination date neither party hereto shall have any rights or obligations hereunder other than those that, pursuant to the express terms hereof, survive termination of this License; provided that Licensee shall remain liable to Licensor for any default or breach by Licensee that occurred prior to such termination. Furthermore, this License is not, and shall not be construed to be, a lease or a sublease and nothing contained in this License shall be construed as granting to Licensee any interest or right as tenant or subtenant or any other interest or right other than the interest of a Licensee in accordance with the terms and provisions hereof.

3. CONDITIONS OF LICENSE PREMISES. Licensee agrees to accept the License Premises "as is," and Licensor shall have no obligation to perform any work or repairs on behalf of Licensee. Licensee acknowledges that no representations with respect to the condition of the License Premises, or with respect to any improvement or fixtures thereon or attached thereto, have been made to it. Licensee shall be responsible for all start-up costs and expenses and for all costs and expenses associated with the operation of the License Premises, including without limitation, utility usage costs. Invoices will be provided to Licensee monthly and are to be paid within 10 days. Specifically, Licensee must install electric and steam meters and incur other start-up costs, including but not limited to reactivation of sprinklers, including quarterly testing as required by the Riverhead Fire Marshall, and reactivation of bathrooms. Licensee is responsible for connection of building to municipal water including design, inspection and key money.

4. SECURITY DEPOSIT. Licensee shall deposit with Licensor on the date hereof an amount equal to \$22,928 as security for the faithful performance and observation by Licensee of the terms, conditions and provisions of this License. If a default shall occur and be continuing hereunder, Licensor may apply or retain the whole or any part of the security so deposited to the extent necessary to cure such default. Upon termination of this License, Licensor shall return to Licensee such deposit, less any amounts to which Licensor is entitled pursuant to the terms hereof.

5. LICENSE FEE. Licensee shall pay to Licensor, in accordance with Section 6 hereof (a) on the date hereof an amount equal to \$68,784 and (b) on the first business day of each month commencing with June 1, 2001, an amount equal to \$22,928 (all of the amounts to be paid by Licensee hereunder, collectively, the "Fee"). In the event that the Term shall terminate on a day other than the last day of a calendar month or in the event that the Term shall terminate prior to May 30, 2001, Licensor and Licensee shall equitably prorate the amount of the Fee actually paid to Licensor for such period.

Licensee covenants and agrees that in no event shall Licensee permit any motor vehicle to: (1) enter the Calverton Site other than through the Access Point (as defined below) or (2) park anywhere other than in the parking area depicted on Exhibit A attached here (the "Parking Area"). Licensee shall be solely responsible for keeping the Parking Area free and clear of debris and snow.

6. PAYMENT. The Fee and all other charges, costs and expenses payable by Licensee under this License shall be paid by certified check payable to the order of the Town of Riverhead Community Development Agency and delivered to Andrea Lohneiss at the address provided for Licensor in the preamble to this License, without notice or demand therefor (except to the extent otherwise expressly provided herein) and without any deduction, credit, set-off, counterclaim or abatement whatsoever in every case in which Licensee is required to pay Licensor a sum of money and said sum (or any portion thereof) is not paid when due; interest at an annual rate of 12%.

7 USE: COVENANTS. (a) Licensee shall use the License Premises only for the storage and sale of building supplies and the manufacture of products including but not limited to windows, doors, skylights and related products (the "Uses") to prepare the License Premises for the same and to clean and restore the License Premises, in each case, in accordance with and subject to, the terms and provisions of this License. Licensee shall be responsible for compliance with local zoning and for obtaining all permits necessary to conduct its business. Specifically, Licensee shall apply for and obtain a use permit from the Town of Riverhead and site plan approval from the Town Board prior to execution of this agreement. Licensee covenants that no treated lumber is to be stored outside the building.

(b) Licensee, at its own cost and expense, shall protect, maintain, and keep in good order, the License Premises.

(c) No additions to, or alterations of, the License Premises shall be made without the prior consent of Licensor or in violation of any applicable building codes. Upon revocation or surrender of this License, to the extent directed by Licensor, Licensee shall remove all alterations, additions, betterments and improvements made, or installed, and restore the License Premises to the same, or as good condition as existed on the date of entry under this License, reasonable wear and tear excepted.

(d) Licensee shall be liable for any loss of, or damage to, the Calverton Site incurred in connection with the Uses and shall make restoration or repair, or monetary compensation as may be directed by Licensor. Licensee shall maintain, at a minimum, the types and amounts of insurance evidenced by the certificates attached hereto as Exhibit B. Licensee agrees that not less than thirty (30) days prior to the expiration of any insurance required by this License, it will deliver to Licensor's local representative a certificate of insurance or a certified copy of each renewal policy to cover the same risks. Each policy of insurance required hereunder shall name Licensor "Town of Riverhead Community Development Agency" and "Grubb & Ellis Management Services, Inc." as additional insureds. In the event that any items or part of the Calverton Site shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed under this Section 7, Licensee shall promptly give notice thereof to Licensor and shall, upon demand, either compensate Licensor for such loss or damage, or rebuild, replace or repair the item or items of the Calverton Site so lost or damaged, as Licensor may elect. In the event Licensee shall not have been required to effect such repair, rebuilding, or replacement, and the insurance proceeds allocable to the loss or damage that has created the need for such repair, rebuilding or replacement have been paid to Licensee, Licensee shall promptly refund to Licensor the amount of such proceeds.

(e) Without limiting the generality of any other provision of this Agreement, Licensee hereby covenants and agrees that Licensee shall provide ample vehicles, personnel,

equipment and containers to clean the License Premises and insure that the same is restored to as good condition, subject to reasonable wear and tear, on the Expiration Date as it was in on the License Commencement Date.

(f) In connection with the performance of work under this License, Licensee agrees not to discriminate against any employee or applicant for employment because race, religion, color or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. Licensee agrees to post hereafter in conspicuous places available for employees and applicants for employment, notices to be provided by Licensor setting forth the provisions of the nondiscrimination clause. Licensee further agrees to insert the foregoing in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

(g) Licensor shall have the sole authority to determine what entity or entities shall provide the following services to the Calverton Site: any and all telecommunications products and services including but not limited to telephone, intellipath, ISDN, data circuits, satellite communications services, fiber, cable, electric and water. Licensee shall not install or contract for the installation of any of the foregoing services without the express written consent of the Licensor.

8. ASSIGNMENT AND LICENSING— Notwithstanding anything to the contrary contained in this License, Licensee shall not assign this License, Licensee the License Premises in whole or in part or permit Licensee's interest in this License to be vested in any party other than Licensee by operation of law or otherwise. A transfer of more than fifty (50%) at any one time or, in the aggregate from time to time, of the stock, partnership, or other ownership interests in Licensee, direct or indirectly, shall be deemed to be an assignment of this License.

9. LICENSOR'S REMEDIES— (a) If Licensee fails to perform any of its obligations hereunder in accordance with the terms hereof, then, after reasonable notice to Licensee not to exceed thirty (30) days, and an opportunity for Licensee to cure such failure, (except in case of emergency) Licensee may (but shall not be obligated to) cure such failure at the expense of Licensee, and the amount incurred by Licensor in connection with such cure shall be payable by Licensee to Licensor on demand.

(b) Except as provided in Section 2 and in the immediately following sentence, in the event of a breach by Licensee hereunder, Licensor shall be limited to an action at law for damages. Notwithstanding the foregoing, in the event that Licensee holds over after the expiration of the Term, (i) Licensee shall be obligated to pay Licensor an amount equal to \$1,000 per diem for each day of the holdover term and (ii) Licensor shall have all of the rights and remedies available to it at law or in equity, including, without limitation, the right to exercise self help and to dispossess Licensee of the License Premises, change the locks on the License Premises, deny Licensee access to

the License Premises and take possession of or dispose of any property at the License Premises; all at the cost and expense of Licensee. Except as provided in Section 2, in no event shall Licensor have the right to enjoin Licensee's performance of the Uses.

10. INDEMNITY. (a) Licensee shall indemnify and hold Licensor harmless from and against any and all claims, actions, liabilities, losses, damages (including, without limitation, consequential and special damages), costs and expenses (including, without limitation, court costs and reasonable attorneys' fees and expenses) arising from or in connection with (i) the use or occupancy by Licensee of the License Premises during the term hereof, or (ii) any work or thing done or any condition created by or any other act or omission of Licensee or its employees, agents, contractors, visitors or licensees, in the License Premises or any other part of the Calverton Site in connection with Licensee's use of the License Premises, or (iii) Licensee's failure to perform any of the obligations imposed on it hereunder.

(b) The foregoing indemnity does not include any claims, actions, liabilities, losses, damages, costs and expenses resulting from Licensor's gross negligence or willful misconduct.

11. Brokers. Licensee represents that it has not dealt with any broker or finder other than Grubb & Ellis with respect to this License. Licensee agrees to indemnify and hold Licensor harmless from and against any and all loss, liability, damage, cost and expense (including, but not limited to, court costs and reasonable attorneys' fees and expenses) which Licensor may incur or sustain in connection with any claim or action by any broker or finder that may be asserted against Licensor as a result of any conversations, correspondence or other dealings between Licensee and such broker or finder.

12. NOTICES. Any notices to be given under this License shall be in writing and shall be sent by registered or certified mail, return receipt requested. If such notice is directed to Licensee, it shall be addressed to Licensee at 80-21st, Brooklyn, NY 11232, Attention: Alan Svordlick, and if such notice is directed to Licensor, it shall be addressed to Licensor at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss. Either party may, by notice in writing, direct that future notices be sent to a different address and to the attention of such other people as either Licensor or Licensee shall designate.

13. HAZARDOUS SUBSTANCES. (a) Generally, Licensee shall not generate, store, manufacture, refine, transport, treat, dispose of, or otherwise permit to be present on or about the License Premises, any Hazardous Substances (other than Hazardous Substances (x) customarily used in events such as the Event and (y) used, stored, transported, and disposed of in strict compliance with applicable law). As used herein, the term "Hazardous Substances" shall mean any flammables, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or related materials, asbestos or any materials containing asbestos, or any other hazardous or toxic substance or material as defined by any Federal, State or local environmental law, rule or regulation, including, without limitation, the Resource Conservation and

Recovery Act of 1976, as amended from time to time, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, the Toxic Substances Control Act, as amended from time to time, the Hazardous Materials Transportation Act, as amended from time to time, and the regulations adopted and the publications promulgated pursuant to each of the foregoing.

- b. In addition to the foregoing, (A) Licensee hereby agrees to comply at all times with and to cause the License Premises to be in compliance at all times with the Suffolk County Health Department Regulations and (B) Licensee shall file for a fire prevention permit and hazardous material permit from the Town of Riverhead.
- c. Indemnification: Licensee shall indemnify and hold harmless Licensor from and against any and all liabilities, damages, claims, losses, penalties, judgments, causes of action, costs and expenses (including, without limitation, court costs and the reasonable fees and expenses of counsel) which may be incurred by Licensor directly arising out of any breach by Licensee of the obligations imposed upon it under this Section 13. The foregoing indemnity shall survive the expiration or sooner termination of this License.

14. CROSS-DEFAULT: To the extent that the Licensor and the Licensee are parties to any other similar agreements, any default under such similar agreements shall be deemed to be a default under this License, and any default under such similar agreements.

15. MISCELLANEOUS: (a) Merger: All prior understandings and agreements between the parties with respect to the subject matter hereof are merged within this License, which alone fully and completely sets forth the understanding of the parties with respect to the subject matter hereof. This License may not be changed or terminated orally or in any manner other than by a writing signed by the party against whom enforcement of the change or termination is sought.

(b) Successors and Assigns: This License shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. The term "Licensor," as used in this License, shall mean only the owner from time to time of the License Premises, so that in the event of any transfer or assignment of the License Premises, the transferor or assignor shall be and hereby is entirely freed and relieved of all covenants, obligations and liability of Licensor under this License, and it shall be deemed, without further agreement, that the transferee or assignee has assumed and agreed to perform and observe all obligations of Licensor under this License during the period that such transferee or assignee is the owner of the interest of License Premises.

(c) Licensee represents that this License has been duly authorized, executed and delivered by Licensee and is enforceable against Licensee in accordance with its terms.

(d) Neither Licensor nor any tenant, nor third party now or hereafter having an interest in the Calverton Site, shall have any right of action based upon invasion of privacy, publicity, defamation, or other civil rights, in connection with the exercise of the permission and/or rights herein granted. Notwithstanding the foregoing, Licensee shall not use the name "Calverton" or "Riverhead", or any signage containing such names, and shall not use the names, pictures, or likenesses of any officials or employees of the Town of Riverhead in connection with or production of the "use" hereunder without the prior consent of Licensor, which consent shall not be unreasonably withheld or delayed.

LICENSOR:

THE TOWN OF RIVERHEAD COMMUNITY
DEVELOPMENT AGENCY

By: _____

Name:

Title:

LICENSEE:

By: _____

Name:

Title: