

Dear Supervisor Jens-Smith:

This email is in response to your email of April 13, 2018 wherein you propounded a series of questions to Calverton Aviation & Technology, LLC (hereinafter referred to as "CAT"). It appears that the majority of the questions have been repeatedly answered by CAT and Triple Five Group. However, for the sake of completeness, I have taken the liberty of reproducing your questions below with the appropriate response of CAT set out after each question:

The operating agreement does not address transferability rights/ buy sell provisions. Please address the transferability rights of each member of CAT.

- ***See Arnold and Porter Correspondence of April 12, 2018 (a copy of which is annexed hereto as Exhibit 1).***

Please describe CAT's (Triple Five and Luminati) experience in the development of industrial/commercial developments that are relevant to your intended development plan for EPCAL. I believe Sunset Park was mentioned.

Include the following for all project examples:

1. Project name, type and location
2. Summary description, including project size (total SF and SF per use), and uses.
3. Precise role(s) in the development project.
4. Public/private structure and current ownership and financial structure
5. Project cost (budgeted and actual)
6. Capital and financing sources utilized
7. Economic performance- project profitability
8. Development timing/phasing/date opened (original schedule/ final schedule)
9. Where projects completed on a timely basis

- **McCarran Sunset Park phase 1 materials attached hereto as a .zip file. Sunset Park is zoned as manufacturing development. The tenant profile is mostly commercial offices (60%) and includes a warehouse/small manufacturing component. The project opened in early 2000 and phase I (77,000 sq. ft.) is complete. Phase II includes up to 300,000 square feet at total build out. The project has been developed based on demand. Triple Five owns the buildings and is the site developer.**
- **Additionally, testimony was provided to the Board on February 27th and March 19th by CAT's team detailing relevant projects, Steve Rogers (Utah economic development), Dave Charette of Langan, and Triple Five Group representatives Martin Walrath, Ira Perlmutter, Nader Ghermezian and Stuart Bienenstock all submitted pertinent testimony regarding Triple Five Group projects (American Dream, Mall of America, Sunset Park, among others). Wayne Melnyk of PCL and James Lima also testified as to development and planning for the site. See February 27th hearing minutes(a copy of which is annexed hereto as Exhibit 2) and March 19th hearing minutes. Please see the project sheets and slide presentations previously submitted by email of March 22, 2018 to Frank Isler and Michael Heller.**

Provide the names and addresses and phone numbers of at least 3 professionals within the development industry, other than clients or former principle employees, who are qualified to comment on the quality of your operation; for both Triple Five and Luminati. Please indicate the basis of each reference's knowledge of your company.

- Tony Tether <https://www.darpa.mil/about-us/d60-dr-anthony-tether> spoke at the June 2017 open house, met directly with Town Board on January 2018 and also provided written statement to be read into the record at February 2018 Q&E session. *See pages 49-53 of March 19th Hearing Minutes (a copy of which is annexed hereto as Exhibit 3).* Mr. Tether serves as a member of the Board of Advisors to Luminati (not the Board of Directors).
- General David Deptula <http://www.af.mil/About-Us/Biographies/Display/Article/104634/lieutenant-general-david-a-deptula/> spoke at February 2018 Q&E session. *See pages 53-55 March 19th Hearing Minutes.* General Deptula serves as a member of the Board of Advisors to Luminati (not the Board of Directors).
- Gary Sojka. <http://www.potadv.com/Gary%20Sojka.html>
Mr. Sojka is the Senior Partner and cofounder of Potomac Research, Analysis, Strategies, Alliances and Marketing, which advises clients with respect to aerospace defense, Homeland Security, and science and technology initiatives. Prior to joining Potomac, Mr. Sojka served on the professional staff of the Armed Services Committee and Intelligence Committee of the United States Senate, where he helped oversee programs totaling over \$30 billion per year. He has also served in the Office of Naval Intelligence and the Defense Intelligence Agency, and has worked on several projects for the Director of Central Intelligence. Mr. Sojka is a Secretary of the Potomac Institute for Policy Studies, a nonprofit organization specializing in technology policy, and a Director of the United States Technology Leadership Council, a not-for-profit seeking to ensure that a strong science and technology base continues in the United States. *See pages 59-62 March 19th Hearing Minutes.* Mr. Sojka serves as a member of the Board of Advisors to Luminati (not the Board of Directors).
- Jim Kirkos <http://www.meadowlands.org/content/contact-chamber-staff>
Mr. Kirkos is President and Chief Executive Officer of the Meadowlands Regional Chamber of Commerce, whose mission is to accelerate economic, community and business development by providing its membership with networking and relationship building opportunities, destination and tourism marketing services, business education and leadership training, legislative and public affairs advocacy to businesses of all sizes across all industry sectors throughout the greater Meadowlands region. Mr. Kirkos spoke at February 2018 Q&E session. *See pages 43-50 March 19th Hearing Minutes.* Mr. Kirkos is a local community partner on the American Dream project and is familiar with Triple Five's operations.
 - Rohit Joshi of Joshi & Associates in Las Vegas, NV. Mr. Joshi is familiar with Triple Five Group's operations in Las Vegas, NV.

- **Wesley Lang, WLM Partners.** Mr. Lang was an advisor to the State of New Jersey on the New Jersey Gaming, Sports and Entertainment Advisory Commission and was an advisor to the State on the American Dream project.

Please provide the specific role and responsibilities of each member of the LLC and their relationship to the development of the project and ongoing management.

- **See March 12, 2018 Exhibit 1 - Letter from Caroline Harcourt to the Board of the Town of Riverhead (a copy of which is attached hereto as Exhibit 4).**

Proposed project development budget.

- **See pages 66-70 of March 19th Hearing - Visual Presentation.**
- **See page 109 of March 19th Hearing Minutes.**

A written description of the firm(s) financial condition and audited financial statement for the most recently completed fiscal year and prior two years. For all principles and Triple Five.

- **See Arnold and Porter Correspondence with attachments of April 12, 2018 (a copy of which is annexed hereto as Exhibit 5).**

Additionally, Triple Five Group represented at the hearing that as a privately held company, Triple Five Group does not have publicly available financial statements. Triple Five Group has provided the Board with a letter from Grant Thornton, documenting that Triple Five Group has a minimum of \$40 million dollars available for the project.

What is the source of acquisition financing?

- **See letter from Grant Thornton dated April 11, 2018 (a copy of which was provided to you and annexed to the Arnold & Porter correspondence of April 12, 2018).**

20 year cash flow for Triple Five

- **See Arnold and Porter Correspondence and attachments of April 12, 2018 (a copy of which is annexed hereto as Exhibit 5). Additionally, Triple Five Group represented at the hearing that as a privately held company, Triple Five Group does not have publicly available financial statements.**

Current projects- provide a list of all current projects. Provide a financial structure profile for the developments.

- **For a list of projects, please refer to our website: www.triplefive.com. See also the Triple 5 Brochure (a copy of which is annexed hereto as Exhibit 6).**
- **For financial qualifications, see Arnold and Porter Correspondence and attachments of April 12, 2018. Additionally, testimony was provided to the Board**

on February 27th and March 19th by Triple Five Group representatives Martin Walrath, Ira Perlmutter, Nader Ghermezian and Stuart Bienenstock (American Dream, Mall of America, Sunset Park, among others). *See* February 27th hearing minutes and March 19th hearing minutes. See also prior written responses and submissions on Triple Five's projects.

List of current and prior debt involving monetary defaults, bankruptcies or foreclosures.

- **Triple Five Group is a privately held company and is currently not involved in any monetary defaults, bankruptcies or foreclosures.**

Projected cost for improving lighting, enhanced security, and reactivation of GPS approach system and general maintenance. Time frame for completion.

- CAT has committed under the contract with the Town to "spend not less than \$1,000,000 (the "infrastructure work amount") to make infrastructure improvements to the runways on the property..." *See* Agreement of Sale at pages 5-6 (a copy of which is annexed hereto as Exhibit 7). As the Board is aware, development of EPCAL including maintenance of existing infrastructure is a complex and multi phased undertaking as the Town has spent close to a million dollars over the past 5 years to develop the existing subdivision sketch plan and accompanying EIS. The existing subdivision sketch plan, however, is not complete, as several additional permits and approvals are required for the subdivision. Therefore, it is necessary to finalize what could be built and where. Nonetheless, Triple Five Group has produced and submitted a conceptual phased buildout. *See* pages 66-70 of March 19th Hearing - Visual Presentation (a copy of which is annexed hereto as Exhibit 8) and page 109 of March 19th Hearing Minutes.
- The Board is also aware that the subdivision would have to be recorded to move forward with a sewer district expansion including the required map and plan. The Agreement of Sale specifically references easements required for connection to the Sewer District. *See* Exhibit 7 at pages 11-12. While Triple Five Group can, through experienced professionals, make estimates as to some of these infrastructure investments, we cannot produce detailed budgets until we obtain approval to move forward and enter the contractually negotiated due diligence period to further evaluate the property. *See* H2M infrastructure estimate (a copy of which is annexed hereto as Exhibit 9).
- The development of a detailed and final budget for runway improvements will commence once Triple Five Group is voted control of the property and can undertake its due diligence. Indeed, the Agreement of Sale provides for just such an extensive due diligence process where CAT will have access to the site to conduct "all inspections and environmental and zoning studies and to review all geotechnical, soils, wetlands and environmental reports that may be available." *See* Exhibit 7 at pages 6-11. After completion of that process, CAT will work with the Board and other appropriate Governmental entities to procure the required

approvals before the subdivision can be filed. During this time, CAT will conduct a comprehensive review of necessary runway repair and improvements.

List of projected firms that will locate at the property: (please include intended SF required)

- in support of Luminati's operation
- businesses that will benefit from use of runway
- technology companies
- While not in list form per se, CAT provided in both Q&E session presentations before the Board multiple companies, both runway and technology related, that have expressed interest in locating at the property. For square footage, CAT is committed to "building out at least one million (1,000,000) square feet of commercial and industrial space... it is contemplated that the build-out will commence within 18-24 months of the receipt of the required approvals and will take approximately five (5) years." *See Exhibit 7 at Exhibit B. "Intended Development Plan."* As the timeline for buildout is dependent on approvals, including an approval by the Board to move forward, it is very difficult to provide a definite commitment from these firms. *See for examples of the type of future commitments and proposed attendant square footage as set forth by intended project partners, please see letters submitted by SciMax, CPC, Abaris, Launcher, and NYU (copies of which are annexed hereto as Exhibit 10).*
- CAT has engaged in discussions with these companies because they support the vision for the project and also have significant growth potential from a venture capital perspective. We are aware that Luminati in its existing space on the Calverton site is working on projects with Hexcel. Brett Schneider, who is President, Global Fibers of Hexcel Corporation, a global leader in developing advanced composites, spoke at the February 27, 2018 Q&E hearing. *See page 58-60 of 2/27 Q&E Minutes.* As another example, the Small Satellite market is forecasted to exceed \$30 billion in coming decade. Synergistic businesses of that market will be targeted by CAT. <http://spacenews.com/smallsat-market-forecast-to-exceed-30-billion-in-coming-decade/>. CAT would also focus efforts on attracting the FAA Tracon facility should it relocate and businesses related to that facility.
- We also provided in testimony before the Town that MagLev is also interested in occupying our site. MagLev technology is securing significant investment commitment and has close association with ongoing research at Brookhaven National Laboratory where the technology was invented. The 40-mile rail line planned as the first leg of a system from Washington to New York in an hour could cost between \$10 billion and \$12 billion, of which Northeast Maglev says it has secured \$5 billion from Japan. Northeast Maglev has already acquired a railroad franchise and a \$28 million grant from Maryland's Department of Transportation and Economic Development Corporation. The company has also collected \$100 million in private funding.

- Development plans, partnership agreements, and tenant agreements will be negotiated and finalized after Q&E designation and closing. See Exhibit 7 at Exhibit B. “Intended Development Plan.”

List of other addition uses being considered for developed under Town Code 301-341.

- CAT is developing an advanced research, technology, manufacturing and commercial facility and has provided a conceptual phasing of projected square footage. See pages 66-70 of March 19th Hearing - Visual Presentation; See page 109 of March 19th Hearing Minutes.
- In addition to the above, CAT will continue to pursue uses on the site that will promote economic development including, *inter alia*, uses attendant to aerospace and technology that are commercial, industrial, educational, manufacturing. This may include renewable and resilient energy resources and any utilities and infrastructure necessary to support those uses. In addition, CAT is open to working with the Town to explore any recreational or government uses on the site that could benefit the project and the Town.

Your presentation referenced Triple Five’s experience building manufacturing and R&D space for high tech companies. Please elaborate on these projects, including specific details such as SF and project budget.

Provide names of the education institutions you have built as referenced in your presentation.

- For a list of manufacturing and R&D companies, please refer to our website: www.triplefive.com. See also the Triple Five Brochure (a copy of which is annexed hereto as Exhibit 6).
- For educational institutions, Triple Five has established or built out space for the following: Menorah Academy (Edmonton); Giovanni School of Music (Edmonton); CDI College (Edmonton); Project Extreme (Minnesota); Alberta Academy of Esthetics (Edmonton); and Norquest College (Edmonton), among others.
- In addition, Tony Armlin, Triple Five’s Senior Vice President of Development and Construction has extensive experience in building educational institutions in Minnesota and New York. This experience includes planning, designing, constructing and assisting in the placement of financing in over \$1.350 Billion in K-12, Higher Education and Cultural Facilities:

- **NY State -- K-12 Public School District Facilities**
 - **Total Value:** **\$758 Million**
 - **School Districts:** **10**
 - **Buildings:** **82**
 - **Building Projects:** **191 (Renovations, Additions, New Construction)**
 - **Student Population:** **45,000**
 - **Years Active:** **16 (2002 – Current)**
- **Minnesota -- Higher Education (Community & Technical Colleges; Universities) & Cultural Facilities**
 - **Total Value:** **\$602 Million**
 - **Institutions:** **7**
 - **Buildings:** **18**
 - **Building Projects:** **36 (Renovations, Additions, New Construction)**
 - **Student Population:** **83,000**
 - **Years Active:** **23 (1995 – Current)**

Provide source for:

Preliminary estimate of jobs created per phase and per industry.

Preliminary estimate of economic output.

- ***See pages 66-70 of March 19th Hearing - Visual Presentation.***
- ***See page 109 of March 19th Hearing Minutes.***

Is there any pending litigating from municipalities against any of these entities, Luminati or Triple Five?

- **Triple Five Group, the majority owner and sole Managing Member of CAT not aware of pending litigation by a municipality. Luminati has advised it is not aware of any pending litigation by municipalities.**

Agreement from 400 David Ct authorizing Luminati to terminate Runway use agreement.

- ***See the Operating Agreement of Calverton Aviation & Technology, LLC which provides as follows: “Simultaneously with the closing of the purchase of the Property, Luminati will terminate, and will cause 400 David Court LLC to terminate, the Runway Use Agreement dated November 4, 2015 between the CDA, the Town of Riverhead, Luminati, and 400 David Court LLC, as such rights shall belong to the Company.”***

Attorney's letter stating Daniel Preston is authorized to sign and execute instruments on behalf of Luminati LLC and 400 David Court LLC.

- ***See Arnold and Porter Correspondence of April 12, 2018.*** Luminati has advised Triple Five Group that Daniel Preston is the sole member of Luminati, LLC and Luminati LLC is the sole member of 400 David Court. As such, he has the authority to sign on behalf of both entities.

Fully executed Operating Agreement with Notary Acknowledgement.

- **Arnold and Porter has confirmed that the fully executed documents are a true representation of the agreement.** *See email to Frank Isler and Michael Heller dated April 5, 2018 (a copy of which is attached as Exhibit 11).*

What is the intended use for the undevelopable acres? Would you agree to restore the currently undevelopable land to the town or another public authority?

- **CAT currently has no plans to utilize any undevelopable acreage.**

Are you considering a project labor agreement?

- **Triple Five Group and PCL have extensive experience negotiating with unions on development projects and intend on negotiating with unions on this project.**

Will there be private investors as part of this development?

- **Yes. CAT's managing member, Triple Five Group, is a privately held investment company.**

According to the CAT website, Luminati has already invested \$30 million into the EPCAL site. Is this correct? If so, what are the specifics on what the money was spent on?

- **Triple Five Group was not involved in prior investments in the EPCAL Site. Luminati has advised that it has made substantial investments at the site, including land acquisition, equipment installation, and ongoing costs and expenses.**