

1/19/1999minutes

Minutes of a Community Development Agency Meeting held by the Town Board of the Town of Riverhead, at Town Hall, Howell Avenue, Riverhead, New York on Tuesday, January 19, 1999, at 7:00 P.M.

Present:

Vincent Villella,	Chairman
James Lull,	Member
Mark Kwasna,	Member
Philip Cardinale,	Member
Christopher Kent,	Member

Also Present:

Andrea Lohneiss,	Director
Barbara Grattan,	Town Clerk
Adam Grossman, Esq.,	Town Attorney

Chairman Villella called the meeting to order at 10:30 p.m.

Resolution #2

Andrea Lohneiss: "Resolution #2 authorizes the Chairman to execute a contract with Virtual Tours, Inc. which will allow the Economic Development Zoning Board to procure a marketing (inaudible) in the form of a CD-ROM utilizing grant funds provided for this purpose. The EDZ Board has voted to proceed with this proposal and requests the Town Board's approval of the expenditure of the grant money."

Member Kent: "So moved."

Chairman Villella: "Is there a second?"

Member Kwasna: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Member Cardinale: "These are grant monies as I understand it and, therefore, 100% grant monies. Yes."

The Vote (Cont'd.): "Kent, yes; Kwasna, yes; Lull, yes;

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Villella, yes. The resolution is adopted."

Resolution #3

Andrea Lohneiss: "Resolution #3 from your package. I think it was Town Board Resolution #63."

Member Kent: "So we have to move to amend that."

Andrea Lohneiss: "A CDA resolution calling for a public hearing on the CDA's designation of Atlantis Holding Company as a qualified and eligible sponsor. This hearing will be scheduled for February 2nd."

Member Cardinale: "So moved."

Chairman Villella: "Is there a second?"

Member Kent: "Seconded."

Chairman Villella: "Moved and seconded."

The Vote: "Cardinale."

Chairman Villella: "Wait a minute, discussion."

Member Lull: "We just received the final copy and I realize how hard things have been-- assiduously the work is being done on the agreement which is the land disposition agreement. The proposal, however, the resolution does say that the draft for the copy of that agreement will be available for everybody in the town to view. It is, however, the first time that we have seen it and I do not feel comfortable considering the fact that there are some issues that are yet to be settled having to do with this-- the land disposition agreement. I would prefer to see those issues settled in a work session first before we go to a public hearing. I'm certainly uncomfortable dealing with a public hearing when we haven't had a work session on the agreement-- on the land disposition agreement. I would feel uncomfortable answering the kind of questions-- "

Member Cardinale: "In answer to that, let me allay your concerns. This is, of course, as you will note from the cover of it, a draft #3. The-- I spoke with Mr. Rothman who is our attorney in this matter. He indicates that we need not to have this hearing or to

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post for this hearing. We need not even have a draft agreement. We need simply to summarize the terms so we're doing more than is actually required by statute. Further, I think it is now time because I know you've worked as I have very diligently on this to get the people involved here in regard to this contract. This is a draft. This is what the public hearing is about. To talk about this draft and to see if there is any additions-- any good ideas from the public as to what we might be able to include or subtract from that consistent with the business reality that we are negotiating a business deal.

So the allusion in the preamble to the resolution is that a draft is attached. It is attached. It is also in the Town Clerk's possession. So I think-- and incidentally we will be having a hearing I guess two weeks from tonight so we've got 14 days, more than the 10 day notice required.

I'm encouraging the public to come out and talk about it and see if they have any suggestions and this is just a draft. The final agreement will only be in final form after the public comments."

Chairman Villella: "I don't want to stall this any longer because the people in town, they want this project to go and I don't want to stall so just go ahead with this, even though it's a draft."

Member Kent: "Well, I don't even have the draft attached."

Member Cardinale: "It's there. Again, this is a third draft, there aren't any major changes from the second which didn't have any major changes from the first. This is also consistent with our past practice where we have attached draft agreements in our final agreement."

Member Kent: "Well, wait a second though. This resolution is really just calling a public hearing."

Member Cardinale: "That's correct."

Member Kent: "And we don't really-- we're not adopting or passing this land disposition agreement tonight. That's when we usually call for the agreement to be attached to the resolution. This resolution only calls for a public hearing for February 2nd at 7:00 or 7:10."

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Member Lull: "Chris, the reason I brought up the land disposition agreement is because in the resolution it does say that a copy of it is available and I wanted to make sure that first of all that a copy was made available in the Town Clerk's Office as it called for. And it doesn't seem to me that the public hearing that we're talking about right now is not a public hearing on the negotiations that are going on. The business negotiation are not conducted in public. The business negotiations are conducted in a much different way.

What we are doing with the public hearing is evaluating Atlantis Holding Corporation as a qualified and eligible sponsor under the Urban Renewal Law. There are definitions of that, none of those definitions have to do with having a land disposition agreement prepared. The definitions--"

Member Kent: "You are for having the draft or against having the draft?"

Member Lull: "I'm not arguing against-- for the draft at all. I'm arguing the fact that if we do have-- if we're saying that we're going to have a draft available, then we should not have a draft which doesn't answer a lot of the questions that we have been talking about."

Member Cardinale: "Well, I think that the draft that we have available and I've handed the Clerk is certainly a far more precise document than a simple summary of the agreement and it is available. She has it and there are two purposes for this hearing. One, I think that the hearing will and should relate to whether this is an eligible sponsor under the law and, two, comment as to the authorization that is sought for the Supervisor to ultimately sign this agreement. And, again, it is consistent with our past practice. In fact, we're giving more than is required by the statute."

Chairman Villella: "Okay, we've got enough discussion. Do you want to get on with the vote?"

Member Cardinale: "Yes."

Andrea Lohneiss: "Okay, the resolution is-- the motion is made and seconded."

The Vote: "Member Cardinale, yes; Member Kent."

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Member Kent: "With the understanding that this draft agreement #3 will be available in the Town Clerk's Office for review prior to the public hearing which we are setting for February 2nd, I vote yes."

The Vote (Cont'd.): "Member Kwasna, yes; Member Lull."

Member Lull: "With the understanding that we have a work session coming up between now and then, we better be talking about what we're supposed to be doing with this. I'll vote yes."

The Vote (Cont'd.): "Vilarella, yes. The Resolution is adopted."

Meeting adjourned: 10:39 p.m.

A handwritten signature in cursive script, reading "Barbara G. Grotton". The signature is written in dark ink and is positioned to the right of the meeting adjourned text.

Town of Riverhead Community Development Agency

Resolution # 2

FILED IN THE OFFICE OF THE TOWN CLERK
Adopted

Authorizes Chairman to Execute Contract with Virtual Tours, Inc.

JAN 19 11 37 AM '99

COUNCILMAN KENT

offered the following resolution,

BARBARA...
TOWN...

which was seconded by COUNCILMAN KWASNA

WHEREAS, the CDA has received grant funds from the U.S. Department of Defense for marketing of the Calverton site; and

WHEREAS, it is the recommendation of the Economic Development Zone Administrative Board to expend said funds for the development of a CD-ROM for personal computer utilization that will demonstrate specific attributes of the site and buildings.

THEREFORE, BE IT RESOLVED, that the Chairman is hereby authorized to execute the attached contract with Virtual Tours, Inc. in the amount of \$11,700 for development of the described CD-ROM product.

AND BE IT FURTHER RESOLVED, that the Town Clerk shall provide a certified copy of this resolution to Community Development Director Andrea Lohneiss.

The Vote:

- Member Cardinale
- Member Kent
- Member Kwasna
- Member Lull
- Chairman Villella

yes
yes
yes
yes
yes

THE VOTE

Cardinale Yes No Kent Yes No
 Kwasna Yes No Lull Yes No
 Villella Yes No

THE RESOLUTION WAS WAS NOT
THEREUPON DULY DECLARED ADOPTED

Adopted

RESOLUTION # 3

At a regular meeting of the Members of the Town of Riverhead Community Development Agency, Town of Riverhead, Suffolk County, New York, held at the Town of Riverhead Town Hall, 200 Howell Avenue, in Riverhead, New York, in said Town, on January 19, 1999, at 7:00 o'clock P.M., Prevailing Time.

The meeting was called to order by Supervisor Villella and upon roll being called, the following were

- PRESENT:
- Supervisor Villella
 - Councilman Cardinale
 - Councilman Kent
 - Councilman Kwasna
 - Councilman Lull

ABSENT:

The following resolution was offered by Member COUNCILMAN CARDINALE, who moved its adoption, seconded by Member COUNCILMAN KENT, to-wit:

THE VOTE

Cardinale Yes ___ No ___ Kent Yes ___ No ___

Kwasna Yes ___ No ___ Lull Yes ___ No ___

 Villella Yes ___ No ___

THE RESOLUTION WAS WAS NOT ___

THE RESOLUTION DULY DECLARED ADOPTED

RESOLUTION DATED JANUARY 19, 1999.

A RESOLUTION CALLING A PUBLIC HEARING ON THE AGENCY'S DESIGNATION OF ATLANTIS HOLDING COMPANY, LLC AS A QUALIFIED AND ELIGIBLE SPONSOR FOR REDEVELOPMENT OF APPROXIMATELY THREE AND TWO-TENTHS ACRES OF LAND, TOGETHER WITH THE BUILDINGS LOCATED THEREON, AND FOR THE SALE BY THE AGENCY OF SUCH PROPERTY TO ATLANTIS HOLDING COMPANY, LLC FOR REDEVELOPMENT.

WHEREAS, the Town of Riverhead Community Development Agency (the "Agency") is the owner of a certain parcel of land of approximately 3.2 acres located on East Main Street, Riverhead (SCTM #0600-29-4-18.5&19) (the "Land"), including the buildings situated thereon (the "Buildings") (the Land together with the Buildings being the "Property"); and

WHEREAS, on September 10, 1997, the Agency prepared and sent to numerous parties, including Atlantis Holding Company, LLC, a New York limited liability company ("Atlantis"), a request for proposals for the acquisition of the Property and the redevelopment thereof (the "Request for Proposals"), the Property to be redeveloped in accordance with certain criteria set forth in the Request for Proposals and in the Town of Riverhead East Main Street Urban Renewal Plan, duly adopted October 19, 1993 (the "Plan"); and

WHEREAS, the Property is specifically referred to in the Plan as being highly under utilized, property for which appropriate water-front related use is recommended and property upon which a tourist destination facility and an economic generator should be constructed; and

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WHEREAS, the Town of Riverhead (the "Town"), pursuant to a review 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" for the sale of the Property, the Town has concluded its SEQRA analysis with respect to the sale of the Property and has determined the sale of the Property to be an unlisted action pursuant to SEQRA, the implementation of which, as proposed, will not result in any significant environmental impact; and an Environmental Impact Statement need not be prepared.

WHEREAS, the Agency now desires to call a public hearing on the designation of Atlantis as the Sponsor for the redevelopment of the Property and the sale of the Property by the Agency to Atlantis; and

WHEREAS, a majority of the Town Board of the Town, acting as Members of the Agency, will attend such public hearing; NOW, THEREFORE, BE IT

RESOLVED, by the Members of the Agency, as follows:

Section 1: A public hearing will be held at the Town Hall, 200 Howell Avenue, in Riverhead, New York, in said Town on February 2, , 1999, at 7:10 o'clock P.M., Prevailing Time, on the question of designating Atlantis the Sponsor for the redevelopment of the Property and the sale of the Property by the Agency to Atlantis, 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.

Section 2. The Secretary of the Agency is hereby authorized and directed to cause a copy of the Notice of Public Hearing hereinafter provided to be published once in the News Review, the newspaper hereby designated as the official newspaper for this purpose and one having general circulation in, and available to residents of, the Town, such publication to be made not less than ten days before the date designated for the hearing. The Secretary is hereby 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 days before the date designated for the hearing.

Section 3. The notice of public hearing shall be in substantially the form attached:

NOTICE OF PUBLIC HEARING

TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY,
TOWN OF RIVERHEAD, SUFFOLK COUNTY, NEW YORK

NOTICE IS HEREBY GIVEN that the Members of the Town of Riverhead Community Development Agency, Town of Riverhead, Suffolk County, New York (the "Agency"), will meet at the Town of Riverhead Town Hall, 200 Howell Avenue, in Riverhead, New York, in said Town, on February 2, 1999, at 7:10 o'clock P.M., Prevailing Time, for the purpose of conducting a public hearing on whether Atlantis Holding Company, LLC, a New York limited liability company, should be designated the "qualified and eligible sponsor" for the redevelopment of a parcel of land of approximately 3.2 acres, being the site of the former Okeanos Preview Center, together with the buildings located thereon (the "Property"), and whether the Property should be sold to Atlantis pursuant to a certain Agreement of Sale by and between the Agency and Atlantis, an unexecuted 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 \$1,750,000 for redevelopment of the Property by Atlantis as an entertainment facility. The Agreement of Sale provides for the Agency to do certain environmental remediation on the property, to remove violations of law with respect to the Property, if any, for title, title exceptions and title insurance, for the apportionment of closing costs, for the Riverhead Sewer District, pursuant to the provisions of Section 202-b of the Town Law, to authorize and provide for the relocation of the force main and gravity line in

the Property, for Atlantis to pay certain costs of such relocation, for operation of the Property until closing, for Atlantis to have a period in which to undertake its "due diligence" with respect to the Property, for a closing date on the Property and for a schedule pursuant to which Atlantis will commence construction and completion of its redevelopment of its first phase of its redevelopment proposal, as well as for other provisions commonly found in a contract for the sale of real property.

The Town of Riverhead (the "Town"), pursuant to a coordinated review 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" for the sale of the Property, the Town has concluded its SEQRA analysis with respect to the sale of the Property and has determined the sale of the Property to be a Type I Action pursuant to SEQRA, the implementation of which, as proposed, the Town Board has determined will not result in any significant environmental effects.

At said public hearing the Members of the Agency will hear all persons interested in the subject matter thereof.

Dated: Riverhead, New York
January ___ 19 1999

BY ORDER OF THE MEMBERS OF THE TOWN OF RIVERHEAD
COMMUNITY DEVELOPMENT AGENCY, TOWN OF RIVERHEAD,
SUFFOLK COUNTY, NEW YORK

By _____
Secretary

The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

<u>Supervisor Villella</u>	VOTING	<u>Yes</u>
<u>Councilman Cardinale</u>	VOTING	<u>Yes</u>
<u>Councilman Kent</u>	VOTING	<u>Yes</u>
<u>Councilman Kwasna</u>	VOTING	<u>Yes</u>
<u>Councilman Lull</u>	VOTING	<u>Yes</u>

The resolution was thereupon declared duly adopted.

* * * *

STATE OF NEW YORK)
) ss.:
COUNTY OF SUFFOLK)

I, the undersigned Secretary of the Town of Riverhead Community Development Agency, Town of Riverhead, Suffolk County, New York, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Members of said Agency, including the resolution contained therein, held on January 19, 1999, with the original thereof on file in my office, and that the same is a true and correct transcript therefrom and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all Members of said Agency had due notice of said meeting.

I FURTHER CERTIFY that, pursuant to Section 103 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public.

I FURTHER CERTIFY that, PRIOR to the time of said meeting, I duly caused a public notice of the time and place of said meeting to be given to the following newspapers and/or other news media as follows:

<u>Newspaper and/or other news media</u>	<u>Date given</u>
Times Review	January 15, 1999

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I FURTHER CERTIFY that PRIOR to the time of said meeting, I duly caused public notice of the time and place of said meeting to be conspicuously posted in the following designated public location(s) on the following dates:

Designated Location(s)
of posted notice _____

• Date of Posting

Town Clerk's Bulletin Board

January 15, 1999

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency on January 19, 1999.

Secretary

(CORPORATE
SEAL)

Section 4. This resolution shall take effect immediately.