

10/6/1998

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 Thursday, October 6, 1998, at 7:00 P.M.

Present:

Vincent Villella,	Chairman
Mark Kwasna,	Member
James Lull,	Member
Philip Cardinale,	Member
Christopher Kent,	Member
Barbara Grattan,	Town Clerk
Adam Grossman, Esq.,	Town Attorney

Supervisor Villella called the meeting to order at 7:00 p.m. and the Pledge of Allegiance was recited, led by Steve Haizlip.

Chairman Villella: "I have to reopen the meeting for the CDA meeting. Andrea?"

Resolution #26

Andrea Lohneiss: "Resolution #26 calls a public hearing regarding the designation of FR Acquisitions or First Industrial, Inc. as a sponsor pursuant to Urban Renewal Law."

Member Kent: "So moved."

Member Lull: "Seconded."

Chairman Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Chairman Villella: "The meeting is now closed for CDA."

Meeting closed: 8:49 p.m.

Councilman Lull: "We want to mention that that public hearing will be held on October 6th-- 20th sorry. Wrong date. Today is the 6th."

Barbara Grattan
Town Clerk

10/6/98

COMMUNITY DEVELOPMENT AGENCY
RESOLUTION NO. 26

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 October 6, 1998, 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
 - MEMBER CARDINALE
 - MEMBER KENT
 - MEMBER KWASNA
 - MEMBER LULL

ABSENT:

The following resolution was offered by Member ~~MEMBER KENT~~, who moved its adoption, seconded by Member KWASNA, to-wit:

COMMUNITY DEVELOPMENT AGENCY

Resolution 26

RESOLUTION DATED OCTOBER 6, 1998.

A RESOLUTION CALLING A PUBLIC HEARING ON THE AGENCY'S DESIGNATION OF FR ACQUISITIONS, INC. AS A QUALIFIED AND ELIGIBLE SPONSOR FOR REDEVELOPMENT OF APPROXIMATELY FIVE HUNDRED FIFTY ACRES OF LAND, TOGETHER WITH, AMONG OTHER THINGS, THE BUILDINGS LOCATED THEREON, AT THE FORMER NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, CALVERTON AND FOR THE SALE BY THE AGENCY OF SUCH PROPERTY TO FR ACQUISITIONS, INC. FOR REDEVELOPMENT FOR INDUSTRIAL AND, OR, COMMERCIAL PURPOSES.

WHEREAS, the Town of Riverhead Community Development Agency (the "Agency") is the owner of an approximately 2,900 acre parcel of land, together with the buildings located thereon, in Riverhead, which land is known as the former Naval Weapons Industrial Reserve Plant, Calverton (the "Calverton Site") which Calverton Site 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 FR Acquisitions, Inc. a corporation organized and existing under the laws of Maryland, 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 550 acres of the Calverton Site, together with the buildings located thereon, leases, licenses and occupancy agreements related thereto and other rights in connection therewith (the "Property"), and (ii) selling the Property, pursuant to Sections 507(2)(d), 556(2) and 968(b) of the General

-2-

Municipal Law, to FR Acquisitions, Inc. pursuant to a certain Agreement of Sale dated June 23, 1998 by and between the Agency and FR Acquisitions, Inc., 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 \$17,000,000 for redevelopment by FR Acquisitions, Inc. for industrial and, or, commercial purposes; 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 days public notice, be held by the Agency on the question of designating the Sponsor for the redevelopment of the Property and selling the Property to FR Acquisitions, Inc.; and

WHEREAS, 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 to FR Acquisitions, Inc., the Town has concluded its SEQRA analysis with respect to the sale of the Property to FR Acquisitions, Inc., 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; and

WHEREAS, the Agency now desires to call a public hearing on the designation of FR Acquisitions, Inc. as the Sponsor for the

-3-

redevelopment of the Property and the sale of the Property by the Agency to FR Acquisitions, Inc.; 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 October 20, 1998 at 7:15 o'clock P.M., Prevailing Time, on the question of designating FR Acquisitions, Inc. the Sponsor for the redevelopment of the Property and the sale of the Property by the Agency to FR Acquisitions, Inc., 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.

-4-

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 October 20, 1998, at 7:15 o'clock P.M., Prevailing Time, for the purpose of conducting a public hearing on whether FR Acquisitions, Inc., a corporation organized and existing under the laws of Maryland ("FR Acquisitions, Inc.") should be designated the "qualified and eligible sponsor" for the redevelopment of approximately 550 acres of land, including one runway, at the Agency-owned Calverton Site, being the former Naval Weapons Industrial Reserve Plant, Calverton, together with the buildings located thereon, leases, including the existing NTSB lease, licenses and occupancy agreements related thereto and other rights in connection therewith, (the "Property"), and whether the Property should be sold "as is, where is" to FR Acquisitions, Inc. pursuant to a certain Agreement of Sale by and between the Agency and FR Acquisitions, Inc., 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 \$17,000,000 in cash with no financing contingency, for redevelopment of the Property by FR Acquisitions, Inc. for

industrial and, or, commercial purposes. The Agreement of Sale provides a period during which FR Acquisitions, Inc., may conduct its "due diligence" investigation of the Property. FR Acquisitions, Inc. has the right to terminate the Agreement of Sale in the event it determines that the Property is unsuitable for its purposes. Closing on the Property will occur approximately one month after the expiration of the due diligence period and assuming that FR Acquisitions, Inc. does not determine that the Property is unsuitable for its purposes. The Agreement of Sale further provides that, following the conveyance of the Property to FR Acquisitions, Inc., FR Acquisitions, Inc. will pay the Agency \$250,000 in each of the three following one year periods that the NTSB renews its lease, to the extent NTSB renews it lease for such yearly periods. The Agreement of Sale grants to FR Acquisitions, Inc., a limited right of first refusal during the first year following conveyance of the Property with respect to proposed sales of other portions of the Calverton Site. Additionally, if FR Acquisitions, Inc. approves, or is deemed to have approved, the Agency's use of an \$1,800,000 EDA grant, FR Acquisitions, Inc. will reimburse the Agency in the amount of said grant and as expended by the Agency

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 to FR Acquisitions, Inc., the Town has concluded its SEQRA analysis with respect to the sale of the Property to FR Acquisitions, Inc., 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
October 6, 1998

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

By _____

Secretary

Section 4. This resolution shall take effect immediately.

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

<u>Member Cardinale</u>	VOTING	<u>yes</u>
<u>Member Kent</u>	VOTING	<u>yes</u>
<u>Member Kwasna</u>	VOTING	<u>yes</u>
<u>Member Lull</u>	VOTING	<u>yes</u>
<u>Chairman Vilella</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 October 6, 1998, 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:

Newspaper and/or other news media

Date given

Times Review

Published 10/08/98

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

October 8, 1998

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency on October 6, 1998.

Andrea Lohneiss
Secretary

Andrea Lohneiss

State of New York)
County of Suffolk)
Town of Riverhead)

ss:

THIS IS TO CERTIFY that I, the undersigned, Secretary/Treasurer of the Riverhead Community Development Agency, Town of Riverhead, County of Suffolk, have compared the foregoing copy

of this resolution

with the original *resolution* now on file in this office and which was duly filed on the *6th* day of *October* *1998*, and that the same is a true and correct transcript of said and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the said Riverhead Community Development Agency, this *7th* day of *October* *1998*

Andrea Lohneiss

Secretary/Treasurer of the Riverhead Community Development Agency