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COMMUNITY DEVELOPMENT AGENCY RESOLUTION

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 November 4, 1998, at 7:05 o'clock P.M., Prevailing Time, for the purpose of conducting a public hearing on whether First Industrial, L.P., a limited partnership organized and existing under the laws of Delaware, 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 First Industrial, L.P., as assignee of FR Acquisitions, Inc., a corporation organized under the laws of Maryland and a wholly owned subsidiary of First Industrial, L.P., 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

First Industrial, L.P. for industrial and, or, commercial purposes. The Agreement of Sale provides a period during which First Industrial, L.P., as assignee of FR Acquisitions, Inc., may conduct its "due diligence" investigation of the Property. First Industrial, L.P., as assignee of 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 First Industrial, L.P., as assignee of 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 First Industrial, L.P., First Industrial, L.P. 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 its lease for such yearly periods. The Agreement of Sale grants to First Industrial, L.P., as assignee of 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 First Industrial, L.P., as assignee of FR Acquisitions, Inc., approves, or is deemed to have approved, the Agency's use of an \$1,800,000 EDA grant, First Industrial, L.P.,

as assignee of 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, 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
October 20, 1998

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

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BY *Adrian Johnson*
Secretary