NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT FINDINGS OF THE PLANNING BOARD OF THE CITY OF GLEN COVE RESPECTING THE RXR GLEN ISLE MIXED-USE WATERFRONT DEVELOPMENT PROJECT, CITY OF GLEN COVE, NEW YORK

In accordance with the New York State Environmental Quality Review Act (Article 8 of the New York State Environmental Conservation Law) and its implementing regulations (6 N.Y.C.R.R. Part 617) (referred to herein as “SEQRA”), the Planning Board of the City of Glen Cove (the “Planning Board”), as Lead Agency for the Coordinated Environmental Review of the Proposed Action identified below, makes the Findings contained herein:

**Name of Action:** RXR Glen Isle Mixed-Use Waterfront Development Project

**Lead Agency:** Planning Board of the City of Glen Cove

**Address:**
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**Date:** December 19, 2011

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**SEQR Classification:** Type I

**Date Final FEIS Filed:** August 22, 2011

**Lead Agency Adoption of this Statement of Environmental Findings:** December 19, 2011

**Location:** The proposed RXR Glen Isle Mixed-Use Waterfront Development Project (the “Project” or “Proposed Action”) will be located on approximately fifty-six (56) acres situated on the north side of Glen Cove Creek, City of Glen Cove, New York (the “Project Site” or “Site”). The Site is located within the MW-3 (Marine Waterfront-3) District under the City of Glen Cove Zoning Ordinance (the “Zoning Ordinance”). The waterfront Site consists primarily of vacant, formerly contaminated land, which was used historically for heavy industrial operations. The
Site’s northern perimeter has frontage onto Garvies Point Road, Herb Hill Road, Dickson Street, and The Place.

The Project Site consists of twenty-seven (27) tax parcels shown on the Nassau County Tax Map. They are listed in Table II-1 in the Draft Environmental Impact Statement for the RXR Glen Isle Mixed-Use Waterfront Development, dated June 2009 (the “DEIS”). Most of the tax parcels, accounting for approximately fifty-two (52) acres of the Site, are currently owned by the City of Glen Cove Industrial Development Agency (“IDA”), or City of Glen Cove Community Development Agency (“CDA,” together with IDA, referred to as the “Agencies”).

These tax parcels will be conveyed to the Applicant in accordance with a certain Contract for Sale of Land for Private Redevelopment, dated May 14, 2003, as amended (the “LDA”), entered into between a predecessor to RXR Glen Isle Partners, LLC (the “Applicant”) and the Agencies. The general purpose of the LDA is to govern the disposition of the IDA/CDA-owned properties comprising the Project Site to the Applicant upon the satisfaction of certain conditions.

The other approximately four (4) acres of the Project Site, which are commonly known as the “Gateway Properties” and located at the east end of the Site, are currently owned by private parties. The Applicant will attempt to acquire these parcels through consensual negotiations with the current owners. As described in and governed strictly by the LDA, in the event that the Applicant’s negotiations to purchase the Gateway Properties are unsuccessful, the Agencies shall act to acquire these properties by condemnation so as to assemble the Project Site.

**Description of the Action:**

A. **Relevant LDA Requirements and Recommendations For Negotiations**

Under the LDA, the Applicant is required to seek Planning Board approvals of a development program that has been conceptually approved by the IDA/CDA, as owners of the Project Site (the “Conceptual Site Plan”). The Planning Board’s specific role as Lead Agency under SEQRA is to conduct a coordinated environmental review of the Conceptual Site Plan as authorized by the IDA/CDA pursuant to the LDA, and submitted to the Planning Board for approval pursuant to the MW-3 District regulations. As described in these Findings, in the years since the signing of the LDA in 2003, the IDA/CDA has authorized the Applicant to process and seek the relevant Planning Board approvals for various iterations of a Conceptual Site Plan.

The Planning Board understands that the LDA will be subject to further negotiations between the IDA/CDA and Applicant so that its terms comport with today’s economic realities, and are consistent with these SEQRA Findings. The anticipated LDA negotiations will be the next step following the Board’s issuance of a Special Use Permit for PUD Master Development Plan Approval (as described herein). The Planning Board encourages the IDA/CDA and the Applicant to commence those negotiations as soon as practicable, and finalize any amended LDA during Spring 2012. The Planning Board would also like the Applicant to acquire the Site (or portions thereof in accordance with the LDA), apply for PUD Site Plan Approval (defined below) for the Project’s first phase, and begin construction on the first phase, if possible, by Summer/early Fall 2012. The Planning Board notes that, under the current zoning, PUD Master

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Development Plan Approval “shall expire 12 months after the date” of said Approval unless the Applicant has submitted a PUD Site Plan Application for one or more phases and is pursuing said Application “in good faith,” subject to any extensions granted by the Planning Board. Zoning Ordinance § 280-73.2C(3)(c)(9)(d). The Planning Board recommends to the City of Glen Cove City Council (the “City Council”) that it consider amending the MW-3 zoning regulations with respect to extending the expiration dates of PUD Master Development Plan, PUD Site Plan and PUD Subdivision Approval, provided that the Applicant proceeds diligently towards completion of the Project.

The Planning Board also has concerns about various issues that are relevant to the LDA. The issues of concern relate primarily to maximizing the Project’s overall economic effect and public benefit for the City. The issues include, as examples, the purchase price of the Site, contractual protections regarding the timing and sequencing of construction and completion of both the private development and public amenities/open spaces, default provisions, and whether the Applicant can assign or convey certain portions of the Project to other developers, and if so, under what conditions. Additional issues include possible tax abatements or other financial assistance to the Applicant, the timing and terms regarding acquisition of the Gateway Properties, and financial responsibility for certain improvements and infrastructure (including Garvies Point Road).

While the Planning Board would have liked an opportunity to address these and other LDA-related economic issues during the SEQRA process and in these Findings, the Board has been counseled and recognizes that these issues fall outside of its jurisdiction under SEQRA. Issues that are solely or substantially economic or transactional in nature are not within the Board’s legal purview under SEQRA. The IDA/CDA, as landowners of the Site, are lawfully responsible for addressing these types of issues. Each agency has its own legal and statutory jurisdictional responsibilities.

The Planning Board is charged under SEQRA to study the potential significant adverse environmental impacts of the Project, and to make sure that any such impacts are mitigated to the maximum extent practicable. The Board conducted a thorough review of the Project’s environmental impacts, and balanced those impacts against the Project’s benefits as described in these Findings. The Board was assisted in this endeavor, and in reaching these Findings, by its independent professional consultants: Cameron Engineering & Associates, LLP (“Cameron Engineering”) (traffic/parking, air quality, noise, civil engineering/site planning, ecology, water resources, stormwater, utilities), Cleary Consulting (planning/zoning, aesthetics, community facilities, cultural resources), Environmental Resources Management (“ERM”) (environmental), HR&A Advisors, Inc. (“HR&A”) (socio-economics), and Zarin & Steinmetz (special land use and environmental legal counsel) (collectively referred to as the “Consultants”). Although the Planning Board independently studied and analyzed the information presented throughout the SEQRA process, the Board relied heavily upon the technical analyses of its Consultants.

The Planning Board believes that its comprehensive SEQRA review will assist in identifying certain issues, which the Board believes will need to be negotiated in any future LDA negotiations. The Board makes a number of recommendations in these Findings to assist the IDA/CDA in this endeavor. The Planning Board’s recommendations are dispersed throughout
the relevant sections of these Findings, as well as summarized in the last section of these Findings for the IDA/CDA’s convenience. The Board hopes that the IDA/CDA will keep the Planning Board involved, and seek its input during such negotiations as appropriate. The Planning Board notes that its recommendations to the IDA/CDA are advisory, and do not constitute conditions or requirements of these Findings, nor legally bind the IDA/CDA or Applicant in any future LDA negotiations.

B. **MW-3 Zoning/PUD Master Development Plan Review**

For zoning purposes under the MW-3 District regulations, the Conceptual Site Plan approved by the Agencies constitutes a Planned Unit Development (“PUD”). A PUD is allowable in the MW-3 District upon the Planning Board’s issuance of a Special Use Permit for a PUD Master Development Plan. During the Planning Board’s SEQRA review of the Project, the City Council amended the MW-3 regulations on July 28, 2009, to establish a two-phase procedure for the Planning Board’s review and approval of PUDs in the MW-3 District. See Zoning Ordinance § 280-73.2(C)(3)(c). The Planning Board had previously adopted a Resolution on June 30, 2009, recommending that the City Council adopt this zoning amendment, governing the procedures for the Board’s review of PUDs.

The first step in the PUD Special Use Permit process requires the Planning Board’s review and approval of a PUD Master Development Plan. A PUD Master Development Plan is defined under the Zoning Ordinance to mean, in summary, a plan that may be developed in phases, showing the layout of a proposed project, including proposed land uses, approximate location and dimension of buildings, open space areas, and more. It represents a master concept plan to guide the future build-out of a project in phases. The second step requires a detailed, fully engineered PUD Site Plan and/or PUD Subdivision to be submitted and approved by the Planning Board for each individual phase of the overall PUD Master Development Plan. See Zoning Ordinance § 280-73.2(C)(3)(c).

This two-phase review of PUDs is common in these types of major revitalization projects in light of the size, cost, complexity, and phasing often associated with them. It allows the overall program mix to be substantively reviewed and approved before an applicant and the reviewing agencies invest substantial time and resources on the preparation and review of more detailed engineered site plans. The proposed PUD Master Development Plan was thus subject to a comprehensive environmental review under SEQRA. The Planning Board served as Lead Agency, studying issues relating to traffic/parking, stormwater, aesthetics/visual, utilities, subsurface environmental conditions, fiscal and socio-economic conditions, and other impact areas. The environmental review for future PUD Site Plan and/or PUD Subdivision Applications for the Project’s individual phases will be based upon this SEQRA review for the PUD Master Development Plan, including these Findings, provided that said Applications are consistent with the approved PUD Master Development Plan. At that stage, the Planning Board will need to determine whether any new information or changed circumstances, including changes in the PUD Master Development Plan beyond the limits of those studied in the FEIS, may result in potential significant adverse environmental impacts, which were not previously studied, and which require further SEQRA review as a matter of law.
The Applicant’s proposed PUD Master Development Plan – which consists of thirty-six (36) site plan, grading, utility, lighting, landscaping, parking, stormwater and other technical drawings – contains sufficient detail illustrating the Project’s development features. This allowed the Planning Board and its independent Consultants to evaluate and understand the Project’s environmental impacts, as well as to identify adequate mitigation measures to minimize those significant adverse impacts to the greatest extent practicable. The Project’s site details, such as landscaping, lighting, “green roof” design, utility transmission, stormwater maintenance, and the like will be more specifically evaluated during PUD Site Plan review. The Planning Board has given careful thought and consideration regarding which items were required to be fully studied and shown at this time as part of PUD Master Development Plan review, and which engineering and maintenance items must be further detailed and finalized at the PUD Site Plan stage. These Findings include below a list of various technical items, which the Planning Board has determined do not need to be addressed now, but must be addressed and finalized during the review of each PUD Site Plan and/or PUD Subdivision Application before a Building Permit is issued for that phase of the Project.

The Planning Board’s review of future PUD Site Plan and/or PUD Subdivision Applications will be governed by the standards and requirements set forth in General City Law Sections 27-a and 32, as well as Chapters 245 ("Subdivision of Land") and 280 ("Zoning") of the City Zoning Ordinance, including specifically Article IV of Chapter 280 ("Site Plan Review"), and the MW-3 regulations. To the extent practicable, the Planning Board shall continue to be advised by the same Consultants during its review of future PUD Site Plan and/or PUD Subdivision Applications to ensure continuity and efficiency. The Applicant’s escrow account for the Project shall be maintained during these future reviews. Any necessary amendments to the Applicant’s Escrow Agreement with the City shall be made following PUD Master Development Plan Approval.

C. Project’s Development Program and General Site Layout

The Proposed Action – or PUD Master Development Plan – described in this Findings Statement is in conformance with the most recent Conceptual Site Plan approved by the IDA/CDA on April 26, 2011, pursuant to the LDA (the “2011 Conceptual Site Plan”). The defined term “Proposed Action” in these Findings shall refer to the PUD Master Development Plan, last revised July 28, 2011. This Plan was studied in the Final Environmental Impact Statement for the RXR Glen Isle Mixed-Use Waterfront Development Project, last revised July 28, 2011 (the “FEIS”). The Plan proposes a mixed-use, waterfront development, combining residential, commercial, cultural, retail, recreational and entertainment uses, new marinas, and a luxury hotel, linked by a continuous public esplanade of parks and walks.

1. Development Program

More specifically, the Project’s development program, as set forth in the 2011 Conceptual Site Plan provided to the Planning Board by the IDA/CDA, includes a 50,000 square-foot office building, 25,000 square feet of retail space, cultural and restaurant uses, 860 dwellings in a variety of mid-rise condominium, rental and townhouse buildings, including 86 workforce housing units (i.e., minimum of 10% of the dwelling units as required under the MW-3

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regulations), a 250-suite luxury hotel and associated spa/conference center, and extensive open space and public recreation amenities. The Project includes 1,702,420 gross square feet ("GSF") of total residential development, and 2,225,680 GSF of total private development, with individual building heights on the West Parcel ranging from four (4) to twelve (12) stories. The Project’s development program is described in Table I-2, entitled "Development Program," in the FEIS. The FEIS is incorporated herein by reference in its entirety.

The Project’s open space network would provide for a continuous public esplanade along the length of the north side of Glen Cove Creek, connecting the Project Site to Glen Cove’s downtown. (See FEIS Exhibits I-6A through I-6C). In total, the Project includes approximately 20 acres of publicly-accessible open space, or approximately 36% of the Project Site. Along the esplanade, which starts at Pratt Park and extends to Garvies Point Beach, ultimately with a connection to the Garvies Point Preserve, there will be a number of public amenities designed to encourage Glen Cove residents and visitors to utilize and enjoy this essential City waterfront resource. These amenities include, but are not limited to, an amphitheater, parks, marinas, restaurants, and public restrooms. In addition, the Project’s open space plan involves habitat and ecological enhancement in the Garvies Point Beach area, the Captain’s Cove area in front of Blocks A, B1 and B2, along the Creek adjacent to Renaissance Park, and at the upper reach of Glen Cove Creek by Block J. The Captain’s Cove area enhancements include, for example, installation of a walkway and an observation deck as a wetland education area, and restoration of tidal wetlands vegetation.

The Project would also provide for an expansion of water-dependent, water-enhanced and other related uses, including approximately 85 slips in total (and relocation of 39 Angler’s Club slips) split between three (3) marina areas.

With the exception of a restaurant at the point at the mouth of the creek, and a small quantity of shopping in the hotel, the retail is proposed to be located on the Gateway Properties in the east end of the Project Site in order to maximize connectivity to the City’s downtown. The quantity of retail has been limited in order to complement, rather than compete with, activity in the downtown.

2. Overall Configuration

West Side

As illustrated in FEIS Exhibit I-2, entitled "West Parcel Plan," the west side of the Project will include four Blocks of development along Garvies Point Road (i.e., Blocks A, B1 and B2, and C) (as described below, the FEIS now splits Block B into two smaller buildings rather than one large building).

Blocks A, B1 and B2 will consist of condominium and townhouse units. Block A will include a total of 99 dwellings (74 condominiums and 25 townhouses). Blocks B1 and B2 will include 83 and 89 dwellings, respectively. The hotel on Block C, which is closest to the Ferry Terminal, will include a maximum of 250 hotel units.

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The west portion of the Project also includes a restaurant near the mouth of the creek in order to take advantage of the scenic location along Hempstead Harbor. The PUD Master Development Plan also shows the relocation of the existing Angler’s Club building and boat slips farther east towards the foot of Dickson Street in order to provide separation from the City’s Ferry Terminal. In addition, the Project will include a realignment and reconfiguration of the western end of Garvies Point Road to accommodate restoration of the City Boat Ramp, as well as development of a supporting public boat/trailer parking area, and a redesigned access to the Hempstead Harbour Club.

**East Side**

The east side of the Project Site will include seven development blocks, as shown in the FEIS Exhibit I-4, entitled "East Parcel Plan." Dickson Street, the Project’s north-south spine, will be anchored by a large park, known as Renaissance Park, at its base along Glen Cove Creek. Block D, opposite the park, will consist of an office building having six floors, and providing 50,000 square feet of office space and associated parking. Opposite the office building across the park will be a building containing 173 rental units (Block I). The next two Blocks north on Dickson Street (Blocks E and H) will be rental residential buildings, totaling 330 rental units. Block J, which includes the Gateway Properties, will be located farthest east along the Creek and provide approximately 20,000 square feet of retail and cultural space in a series of small one- and two-story buildings.

The two Blocks in the northernmost part of the Project Site (Blocks F and G) will consist of 86 units (both condominium and rental) designated as workforce housing in a series of four-story buildings. The 86 units of workforce housing constitute 10% of the total number of units as required by the MW-3 District (as shown in FEIS Table I-18, there would be a total of 109 workforce housing units under FEIS Alternative 2, which proposes 1,085 residential units). The administration of the program will be managed by the Long Island Housing Partnership, or another housing advocacy group on behalf of the City. Eligibility requirements for these units will be established in consultation with the City. The Applicant anticipates that the likely target would be households with incomes ranging between 80-130% of the area median income ("AMI"). The Planning Board has some concern that 80% may be too high as the low end of the eligible income range. The Board recommends to the IDA/CDA that they consider establishing the eligible income range for the Project’s workforce housing units as between 60-130% of the AMI. The Planning Board also recommends to the IDA/CDA that they consider including in the LDA some type of preference for local residents for the workforce housing units. The common charges for the workforce units will be limited to those directly attributable to the maintenance of their buildings and grounds (i.e., the workforce units will not be assessed additional common charges for the maintenance of the waterfront open space).

3. **Proportion of Rental/Ownership Units**

The current Plan proposes a greater proportion of high-end rental units as compared to what was proposed previously in the DEIS based upon current and anticipated market conditions. The Proposed Action studied in the FEIS calls for up to 65% of the 860 residential units to be rental units. In the DEIS, it was contemplated that 21% of the units would be rental units. As
explained in greater detail in the supporting market studies included in the Appendix, there is a strong demand in today’s residential market for rental units, especially high-end luxury rentals. The Planning Board notes that the Applicant anticipates that the rents will range from approximately $1500 per month for a junior one bedroom to approximately $3000 per month for a large, three bedroom home. (FEIS, Appendix L).

The Planning Board’s economic consultant, HR&A, concurs that the Project’s modification to include more rental units is warranted to ensure a successful Project based upon current and anticipated economic forecasts. Persons who in prior years would have sought to purchase homes are now seeking to rent instead. HR&A has explained to the Planning Board that renters establish roots in their communities as much as owners. Consistent with the Project’s target demographic discussed in the market studies, renters tend to be younger professionals or empty nesters, both with higher than average disposable income, which they spend in local restaurants, shops, etc.

There is also a trend toward emphasizing rental units in long-term redevelopment projects. HR&A has explained to the Board that a common framework for large-scale, multi-phased projects, such as this Project, is to lead with rental housing. The rental product is most readily financeable in the early years. Initial rental developments help build a critical mass of people, drive new demand for retail, services and public amenities, and ultimately lead to residential condominium demand at prices that make such development and amenities financially feasible.

The Planning Board is aware that some residents have expressed various concerns about the rental component of the Project, including comments that the rental units would not be compatible with the City’s community character. For the reasons stated herein, as well as the market studies included in the Appendix to the FEIS, the Planning Board finds that the rental units would contribute to revitalization of the blighted waterfront Site, and overall success of the Project. Based upon the price points mentioned above, and as represented by the Applicant, the Board concludes that the rental units would consist of high-quality residential product, which would only enhance the character and attraction of the waterfront.

The Planning Board is concerned, however, about granting the Applicant the flexibility at this time to construct the Project with a rental/owner mix of 65%/35%. The Board questions whether the Project could successfully support that many rental units. The City already has a high baseline percentage of rental units, including recently completed or approved residential projects. The City’s existing housing stock includes approximately 36% rental units. This is among the highest percentages of any municipality on Long Island. This figure reflects the substantial amount of new, multi-family residential development in the downtown built by AvalonBay Communities, Inc. within the past ten (10) years. In addition, the Board recently approved the Piazza downtown mixed-use project, which will include 142 condominium units, the majority of which will be leased to a local academic institution for use as student housing. These projects will be the closest competition to the Project’s residential rental component.

Given the current rental stock in the City, the Board is concerned about the potential economic risks to the City if the Project includes more rental units than the market can readily absorb. The Planning Board is also cognizant that, as noted in the FEIS, there is a greater economic return to

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the City from condominium housing than from rental housing. Property tax revenues, as well as related indirect and induced economic benefits, weigh in favor of ownership housing development in the City.

At the same time, the Board desires a thoughtful and carefully planned mixed-use Project at the Site. The Board recognizes that the initial phase(s) of development will need to reflect the realities of today’s residential market demand, as well as the availability of financing, both of which currently point toward an initial focus on residential rental housing. As mentioned above, the Board acknowledges that a certain amount of new rental housing is justified at this Site.

For these reasons, the Planning Board hereby determines at this time to cap the number of rental units at 50% of the Project’s residential units. Under the Proposed Action’s 860 residential units, this cap would equate to 430 rental units. The Applicant could increase the amount of total number of rentals as-of-right by committing to pursue FEIS Alternative 2. That Alternative, which is discussed in greater detail below, contemplates a development with 1,085 residential dwelling units, and a reduction in the number of hotel units from 250 to 150 units. Under FEIS Alternative 2, the 50% rental cap would equate to 543 rental units.

This 50% cap shall also be subject to the Applicant’s right in the future to seek discretionary approval from the Planning Board, without further SEQRA review, to exceed this limitation based upon then-current market conditions, provided, among other things, that the Applicant has diligently proceeded with the implementation and construction of the earlier phases of the Project in good faith, and has strictly complied with all other conditions of these SEQRA Findings, PUD Master Development Plan Approval, and the LDA, including with respect to the construction and completion of the public amenities (both interim and permanent) and open spaces. The Planning Board recognizes that the condominium market might still not have rebounded sufficiently by the time 50% of the Project’s rentals are built. In no event shall the total rentals exceed 65% of the Project’s dwelling units, subject to the conditions set forth in these Findings.

As explained in the following section, the Planning Board stresses that it is only affording the Applicant the “flexibility” to ultimately construct this Project with a rental/owner mix of 50%/50%. This proportion is not fixed. Subject to the Applicant’s right to seek a waiver in the future to the 50% rental cap at the Board’s discretion, the final percentage of rental units shall be between 21% and 50%, depending upon what the market demands throughout the anticipated potential ten (10)-year build out of the Project. The market demand is impossible to predict at this time. The so-called flexibility afforded to the Applicant to respond to potentially changing market conditions is to ensure that the Project succeeds. The Planning Board has studied the potential significant adverse impacts relating to this range of rental units (i.e. 21% - 65%) in these SEQRA proceedings.

D. Flexibility in Project’s Development Program

As mentioned above, and as discussed in greater detail below, the ultimate build-out of the Project may deviate somewhat from the 2011 Conceptual Site Plan in response to changing market conditions over time. The Applicant discussed the need for such “flexibility” at length

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with the IDA/CDA when presenting the 2011 Conceptual Site Plan. The Agencies agreed in their respective Resolutions adopting the 2011 Conceptual Site Plan that the Planning Board would retain discretion to permit certain future variations in the 2011 Conceptual Site Plan without requiring the prior approval of the Agencies, or supplementation under SEQA.

The Planning Board vetted this concept, and concurs with the IDA/CDA’s intent to afford the Applicant a certain degree of flexibility given that the Project will be constructed in several phases over an approximately 10-year period, which could be expected to encompass multiple economic cycles. These Findings thus set forth below a framework, which establishes specific parameters/thresholds, governing such potential Project variations. Supplemental environmental review under SEQA would not be required, provided that any such variation does not exceed the applicable environmental impact thresholds studied in the FEIS and established in these Findings.

E. City’s Ferry Project

As part of a separate, but related, transportation improvement project, which underwent an independent SEQRA and National Environmental Policy Act (“NEPA”) review, the City of Glen Cove is in the process of implementing the Glen Cove Ferry Terminal and Boat Basin Project (the “Ferry Project”). The Ferry Project will be located on an approximately 2.2-acre site along the central portion of Glen Cove Creek and the Project Site. The Ferry Project will provide commuter ferry service from Glen Cove to New York City, and potentially other locations along the Long Island Sound, as well as attract weekend visitors to Glen Cove. It includes a ferry terminal building, new marine waterfront structures, a parking area, and associated infrastructure.

The Planning Board acknowledges that certain comments have been raised concerning whether the Project, as currently proposed with more rentals than condominiums, would provide enough ridership to support the Ferry Project. This issue falls outside of the scope of the Planning Board’s SEQRA review of the Project. The Planning Board notes, however, that the issue of ridership demand was addressed during the independent environmental review of the Ferry Project. A Ridership Demand Analysis was prepared in February 2009 as part of the independent Final Design Report/Environmental Assessment (“DR/EA”) for the Ferry Project under SEQRA/NEPA. The Ridership Demand Analysis studied the “Glen Cove-to-Manhattan AM peak travel market, and the potential for attracting some of this market to a new direct ferry service.”

Based upon a review of the DR/EA and Ridership Demand Analysis, those studies found that sufficient ridership demand would exist to support the Ferry Project. As stated in the DR/EA, the Ferry Project is intended to provide a new transit opportunity not only to Project residents, but also to other residents, employees, and visitors in the City and surrounding area.

F. City’s Garvies Point Road/Herb Hill Road Reconstruction Project

Another transportation improvement project, which is relevant to the Proposed Action, is the City’s Garvies Point Road/Herb Hill Road Reconstruction Project (the “Garvies Point Road

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Project” or “Road Project”). Garvies Point Road is the primary access road to the Project Site. It will contain various utility mains to which the Project will connect.

The Road Project is intended to improve Garvies Point Road and Herb Hill Road up to its terminus at Garvies Point Beach to facilitate access to the waterfront. It is undergoing its own environmental review pursuant to NEPA and SEQRA. Various federal, state and local permits required for the Road Project are identified in FEIS Appendix P. As explained in the FEIS, the Road Project will have its own separate stormwater management system. Although independent projects, coordination is required to ensure that the stormwater systems function properly together to minimize the number of outfalls to the Creek.

During this SEQRA process, the Planning Board questioned how the timing of the Garvies Point Road Project may affect the timing and/or phasing of the Proposed Action. The Applicant explained that the Road Project is anticipated to be completed prior to the first phase of Project development. The Applicant further explained that should the Road Project experience unforeseen delays, construction of the Proposed Action would not necessarily be delayed. The LDA contemplates that the Applicant may undertake responsibility for the Road Project, and the costs incurred by the Applicant would be a deduction from the purchase price of the IDA/CDA-owned land.

The Planning Board finds that the Garvies Point Road Project is an important element of the overall redevelopment of the Project Site, and is concerned that any delay in the Road Project might negatively impact the Project. The Planning Board further finds that no Certificate of Occupancy may be issued for an individual phase of the Project unless all of the necessary infrastructure improvements regarding Garvies Point Road to support such phase have been completed.

To the extent necessary, the Planning Board recommends to the IDA/CDA that they ensure that appropriate provisions are in place in the LDA to facilitate the successful completion of the Road Project in the event that the Road Project is delayed, including provisions relating to the Applicant possibly taking over responsibility of the Road Project (e.g., under what conditions, potential effect on the purchase price of the Site, and the continued involvement of the City’s engineering consultants in the design of and utility installation in Garvies Point Road).

I. Purpose and Need:

The Proposed Action fulfills the City’s longstanding goal of redeveloping the underutilized, blighted, former industrial and contaminated lands along the north shore of Glen Cove Creek as a vibrant, mixed-use, waterfront community.

A. Brownfield Remediation

The redevelopment of the Site is closely interrelated to the long outstanding, substantially completed remediation effort coordinated by the City, the United States Environmental Protection Agency (“EPA”), and New York State Department of Environmental Conservation (“DEC”), to clean-up the properties comprising the Project Site. The former industrial uses at
the Site resulted in land and groundwater contamination. This contamination underwent remediation under State and Federal environmental programs. Also, the prospective redevelopment of the Site provided a major impetus for the City to seek and obtain significant, additional State and Federal grants to clean-up the brownfield properties within the Project Site, and for EPA and DEC to prioritize and expedite the remediation process. The Planning Board recognizes the effort of the Agencies in advancing the remediation of this critical City resource.

The remediation effort to date has totaled approximately $100 million, and has lasted approximately twenty (20) years. The Planning Board has been especially impressed with and has monitored these past years the collaborative effort between the City of Glen Cove, IDA/CDA, EPA, DEC, the Applicant, and their respective environmental consultants, to take this highly contaminated Site, and restore it to conditions that are protective of human health and the environment in accordance with the applicable regulatory programs. This undertaking will allow this prominent waterfront Site to be returned to productive use, providing, among other things, an additional source of tax revenue for the City. As discussed below, the Planning Board’s environmental consultant, ERM, a leading global provider of environmental and related health and safety consulting services, has spent a great deal of time reviewing all of the relevant information and data on behalf of this Board, and interacting with IDA/CDA, EPA and DEC to ensure that the properties comprising the Project Site will continue to be protective of human health and the environment as the Project is developed for various contemplated land uses.

B. Consistency With City’s Master Plan and Zoning

This Board finds that the Proposed Action also meets the goals of the recommendations contained in the City’s Master Plan, adopted on May 26, 2009, as well as several other planning and public policy documents, including, the Glen Cove Creek Revitalization Plan (“GCCRP”) and Third Amended Urban Renewal Plan for the Garvies Point Urban Renewal Area (“URP”).

The Project will fulfill a number of goals specifically with respect to the recommendations set forth in the City’s Master Plan for the Glen Cove Creek waterfront. The Master Plan’s vision for the waterfront includes, for example, “amplify[ing] park amenities, public access and boating activity, linked to complementary development.” Some of the specific objectives in the Master Plan for the waterfront include, but are not limited to, “increase pedestrian access to and along the entire Glen Cove waterfront,” “strengthen the connection between Downtown and the Glen Cove Creek waterfront,” “create a network of parks and open spaces,” and “continue to improve environmental conditions along the waterfront.” The Planning Board finds that the Proposed Action will satisfy these and other objectives through, among other things, its network of public open spaces, paths, and other public amenities, including the esplanade, as well as its enhancement of water-dependent recreation, and the implementation of ongoing environmental obligations to ensure that the properties comprising the Project Site remain protective of human health and the environment.

The Proposed Action, as described in these Findings and the FEIS, also advances the City Council’s stated purposes in the 2004 amendments to the MW-3 District. These include, among other objectives, “to permit and encourage a range of water-dependent and water-enhanced uses and other related uses within the Glen Cove Creek corridor so that the City’s valuable waterfront
resources are utilized properly and in a manner that will ensure an attractive waterfront setting for a variety of appropriate uses that are beneficial to the City’s residents, waterfront property owners and business community.” Zoning Ordinance § 280-73.2A(1)(b). “A further purpose is to establish a zoning framework conducive to the creation of an attractive mixed-use community with residential/retail/commercial business/recreation/tourist/entertainment and cultural components. The intent is to create a marketable and sustainable development that will benefit the City and the surrounding environment.” Zoning Ordinance § 280-73.2A(1)(b). The specified objectives of the MW-3 District also include the “elimination of blight and blighting influences” in and around the Glen Cove Creek area. Zoning Ordinance § 280-73.2A(1)(c).

C. Public Purposes and Needs

The Planning Board further finds that the Project will achieve a number of public purposes and needs, including, but not limited to:

- Convert vacant, former contaminated land into taxable parcels that will generate new net tax revenue for the City and other taxing jurisdictions, as well as significant job creation both during and after construction;

- Further facilitate the clean-up of waterfront brownfield properties, which were contaminated by the former industrial uses on the Site;

- Improve public access to the waterfront for residents of Glen Cove and the surrounding communities through a comprehensive network of passive and active open spaces, including a walking and biking path extending along a continuous esplanade from Garvies Point Beach to Pratt Park;

- Create a multi-use, transit-oriented development, providing a variety of transportation options for residents and visitors, including access to the LIRR and other forms of public transportation, and enhanced pedestrian and bicycle opportunities;

- Provide a further connection between the Glen Cove waterfront and downtown through the open spaces, waterfront promenade, and limited retail at the east end of the Site, helping to attract people and businesses to the City;

- Improve the existing blighted visual and aesthetic conditions of the area with new and attractive structures; and

- Introduce additional housing and residents to Glen Cove, which will increase activity levels and the customer base for downtown Glen Cove businesses, and will help meet a regional housing need for alternatives to single-family houses, including both owner and rental housing and workforce units.

The Proposed Action, which is intended to revitalize a blighted waterfront area by providing a mixture of uses and public amenities/open spaces that are traditionally compatible with a
waterfront center, will thus meet the City's land use, zoning, housing, aesthetic/visual, remediation, and redevelopment goals for the Project Site, while simultaneously minimizing any potential adverse impacts to the Site and surrounding area that might result.

II. Project Background and Evolution:

The Planning Board has served as Lead Agency for the coordinated environmental review of the Proposed Action. The Planning Board has determined that the requirements of SEQRA have been met through the actions described below.

A. Project Formulation and Background History

The City of Glen Cove was founded on the banks of Glen Cove Creek. In the latter half of the 19th Century, the Glen Cove Creek area became the center of industry, with numerous types of industrial companies using the Creek for transportation. As trucking became more significant for goods movement in the 1940s, the area around Glen Cove Creek lost its competitive advantage, and industry went into a slow decline up to the early 1990s. By that time, the north side of the Creek was characterized more by vacant land, rather than utilized industrial land. Most of the abandoned industrial sites contained hazardous wastes. In addition to the problems on land, the eastern end of Glen Cove Creek was rendered almost un-navigable due to excessive sedimentation, hindering the ability of water-dependent uses to operate in this area.

In the early 1990s, the community's attention turned to the economic and environmental issues along the Creek. The Mayor, City Council, area residents, waterfront businesses and members of various civic and environmental organizations became keenly aware of various problems, including limited navigability of the Creek, visual blight, the need for remediation of hazardous waste sites, and transportation difficulties associated with accessing the creek area. Conditions in the area were adversely affecting local businesses, depressing property values, and impairing the quality of life of area residents. As a result of these issues, the City dedicated personnel and resources to revitalize Glen Cove Creek and its environs.

The initial stage of that effort was presented in the 1996 Glen Cove Creek Revitalization Plan (defined above as "GCCRP"). The GCCRP set forth a vision of environmental cleanup and reuse as a marine-oriented redevelopment. This plan led the City to change the zoning on the 96-acre site on the north side of the Creek from an Industrial zone to the MW-3 District. At the time, the MW-3 District permitted a mix of commercial and retail uses, which require or are enhanced by waterfront access.

Following the completion of the GCCRP and the subsequent rezoning of the area, the City sought a developer through a Request for Proposals process to enter into a Public-Private Partnership and develop a master plan for the Site. Glen Isle Development Company, LLC (later known as Glen Isle Partners, LLC) was identified by the City, and ultimately designated to redevelop the area.
B. **LDA and 2004 Rezoning**

As mentioned above, on May 14, 2003, Glen Isle Development Company, LLC entered into the LDA with the IDA/CDA. The LDA established a process to facilitate the transformation of this blighted, underutilized area, the majority of which had been designated as either a Federal or State Superfund site, and had been the subject of environmental cleanup, into a mixed-use waterfront destination. The LDA’s aims of revitalizing the waterfront included creating a public amenity for the Glen Cove community, spurring economic development, and expanding the local tax base. The complete LDA, as amended, has been available for public review at City Hall throughout the Planning Board’s SEQRA process.

Following the signing of the LDA, the Agencies and the Applicant determined that a large-scale, retail and commercial development scenario, as envisioned under the original MW-3 District regulations, would have negatively competed with businesses in downtown Glen Cove. Furthermore, the achievement of higher environmental clean-up levels enabled a residential component to be introduced, prompting amendments to the MW-3 District. With the positive recommendation of the Planning Board, the City Council in 2004 adopted zoning amendments to the MW-3 District regulations, with the intent of replacing the retail/commercial development concept with a smart growth, sustainable mixed-use development, which would complement and not compete with Glen Cove’s downtown. The City Council’s stated purposes in adopting the 2004 amendments to the MW-3 District are quoted above. In summary, the 2004 amendments facilitated a shift in emphasis from a retail/commercial development concept to a mixed-use development with a residential component.

C. **SEQRA Review Begins**

In furtherance of the amended MW-3 regulations, and pursuant to the LDA, the Applicant, the Agencies, and jointly selected planning, economic and environmental consultants, worked together to develop a Conceptual Site Plan for the Project Site, which would adhere to smart growth principles, while combining economic sustainability with environmental sensitivity.

In November 2004, the Applicant submitted a Site Plan/Special Use Permit Application to the Planning Board. The Planning Board initiated the SEQRA review process in January 2005 by, among other things, classifying the Project as a Type I action, declaring itself as Lead Agency for the environmental review of the Project, and issuing a Positive Declaration under SEQRA.

In November 2006, the Applicant submitted to the Planning Board a Preliminary Draft Environmental Impact Statement (“PDEIS”), studying the potential environmental impacts of the Conceptual Site Plan approved by the IDA/CDA in 2005 (the “2005 Conceptual Site Plan”). The PDEIS evaluated two development scenarios. The larger one included 1,120 residential units, a 200-suite hotel complex, approximately 50,000 square feet of office space, approximately 23,000 square feet of restaurants/catering, and approximately 73,000 square feet of retail, restaurant, cultural, and entertainment space. The smaller one included 860 units, together with the other uses proposed in the larger scenario. The design studied in the PDEIS also included buildings of up to 16 stories on the west side of the Site.

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The Planning Board and its independent Consultants reviewed the PDEIS to determine whether to accept it as "adequate with respect to its scope and content for the purpose of commencing public review" pursuant to 6 N.Y.C.R.R. Section 617.9(a)(2). The Planning Board identified deficiencies in the PDEIS. On or about February 7, 2007, the Planning Board determined that the PDEIS was not complete and adequate for public review, and directed the Applicant to prepare a revised DEIS to address all of the Board’s and its Consultants’ comments.

In early 2008, RXR Realty joined Glen Isle Partners, LLC on the redevelopment team, forming a joint venture known as RXR Glen Isle Partners LLC (i.e., the current Applicant). The new redevelopment partnership and the Agencies initiated a joint redesign effort to address issues of concern raised by the Planning Board, its Consultants, and the community regarding the plan studied in the PDEIS. The Applicant and its development team worked closely with the IDA/CDA and their Consultants over a period of approximately eight (8) months in a collaborative design revision process. This process ultimately resulted in significant modifications to the Conceptual Site Plan previously approved by the IDA/CDA in 2005.

D. 2008 Conceptual Site Plan

At a joint meeting on September 9, 2008, the Agencies unanimously approved a revised Conceptual Site Plan known as the "2008 Conceptual Site Plan." This Plan served as the new proposed action to be evaluated in a revised DEIS. Key modifications in the proposed development program included a reduction in the residential component from 1,120 units to 860 units, a reduction in the retail/restaurant/cultural space from 73,000 square feet to 25,000 square feet, and an increase in the size of the hotel from 200 suites to 250 suites. The redesign also produced lower building heights. The maximum heights now consisted of 10 and 12 stories. The 2008 Plan also included an increase in the amount of publicly-accessible open space.

On or about October 17, 2008, the Applicant submitted an amended Site Plan/Special Use Permit Application to the Planning Board, together with, among other things, a Draft Scoping Document, regarding the 2008 Conceptual Site Plan. The Planning Board conducted a Public Scoping Meeting on November 18, 2008, and accepted written comments until December 2, 2008. On December 23, 2008, the Planning Board adopted a Final Scope in accordance with 6 N.Y.C.R.R. Section 617.8.

On March 16, 2009, the Applicant submitted the DEIS to the Planning Board for its completeness review. On or about April 23, 2009, the Planning Board determined that the DEIS was not complete and adequate for public review pursuant to 6 N.Y.C.R.R. Section 617.9(a)(2). It directed the Applicant to prepare a revised DEIS, which addressed all of the Planning Board’s and its Consultants’ comments conveyed to the Applicant on the same date. The Applicant resubmitted the DEIS on May 22, 2009. The Planning Board deemed the revised DEIS complete and adequate for public review on June 4, 2009.

E. DEIS Public Hearing

The Planning Board held a duly noticed Public Hearing on the DEIS and the Site Plan/Special Use Permit Application for the 2008 Conceptual Site Plan on June 25, 2009. The Public Hearing
was well attended. Many persons testified, including representatives from the Glen Cove Chamber of Commerce, Board of Trustees of the Village of Sea Cliff, Hempstead Harbor Protection Committee, Vision Long Island, League of Women Voters of Nassau County, Prospect/Albin Traffic Calming Initiative, and several residents of the City of Glen Cove and Village of Sea Cliff. The speakers raised many important issues, including traffic, stormwater management, views and aesthetics, and affordable housing. The Planning Board notes that many of the commenters spoke favorably about the Project, even while raising important environmental impact concerns.

The Board also accepted written comments up to and including July 20, 2009 (although comments were actually received and accepted through August 25, 2009). Some of the agencies/groups that submitted comments included EPA Region II (NY Remediation Branch), DEC (Division of Environmental Permits, Region One), State of New York Department of State, Nassau County Department of Health, Nassau County Planning Commission, Village of Sea Cliff, Sea Cliff Landmarks Association, Town of Oyster Bay, Hempstead Harbour Club, Glen Cove Chamber of Commerce, Glen Cove Downtown Business Improvement District, Glen Cove Angler’s Club, Hempstead Harbor Protection Committee, Vision Long Island, Seatuck Environmental Association, Coalition to Save Hempstead Harbor, Landing Pride Civic Association, and the Prospect/Albin Traffic Calming Initiative.

Like the oral testimony, the written comment letters raised various important issues concerning, for example, potential impacts to existing views due to the heights and massing of the proposed buildings, the availability of adequate sewer and water to service the Project, the environmental condition of the Site and status of ongoing remediation activities, sequencing of public amenities, design of stormwater management facilities, design of entrance to Hempstead Harbour Club, traffic impacts and mitigation, viability of the tidal weir and turning basin, and others. Many of the comments were technical in nature, addressing compliance with various regulatory programs at all levels of government, while others were more general in nature.

The Nassau County Department of Health ("NCDOH"), for example, focused largely on technical items regarding the capacity of the City’s wells, and the County’s sewer infrastructure, to provide sufficient water and sewer service to the Project. NCDOH also provided comments relating to the environmental condition of the Project Site.

The Board notes that certain residents of the City of Glen Cove and nearby Village of Sea Cliff expressed their support and opposition to the Project. The Planning Board also notes that the Glen Cove Chamber of Commerce, in its comment letter, “reiterate[d] its support of the waterfront development,” and opined that “[s]uch an opportunity comes along perhaps once in a generation.” The Chamber of Commerce further stated that the Project “will increase the tax base while also providing additional customers for our local businesses,” and cited the “social and cultural amenities” as benefits of the Project in addition to economic ones. Similarly, Vision Long Island commented that the Project “as designed has the potential to be a great asset to the City,” and that the “mix of uses within this development seems to be appropriate for complementing rather than competing with downtown Glen Cove.” The Nassau County Planning Commission wrote that a “positive and often overlooked aspect of pedestrian improvements” is the Project’s proposed “connectivity between the [S]ite and the downtown, as
well as [the] ‘wayfinding’ signage that will assist pedestrians in navigating between the [S]ite and downtown.”

The Planning Board’s independent Consultants also issued on behalf of this Board extensive comment letters on the DEIS on July 20, 2009, raising issues similar to the ones mentioned above, as well as many others. Cameron Engineering expressed comments regarding, for example, traffic and parking, air quality and noise screening, potential noise impacts to bird breeding in Garvies Point Preserve, stormwater, lighting, green roofs, landscaping, construction, and overall site design. Cleary Consulting raised various comments related to the previously-proposed tidal weir, the Project’s open spaces and public amenities, location of workforce housing, signage, nitrogen loading, and others. ERM’s comments focused primarily upon the administrative processes required to secure federal or state regulatory agency approval for the Project’s proposed land uses, and the environmental response that might be required at those properties not in a regulatory program. HR&A made comments with respect to, among other things, residential condominium values and capture rates, hotel feasibility and employment, tax revenues, and public school child generation.

The Planning Board listened carefully to all of the comments raised during the Public Hearing, and read all of the comment letters. The Planning Board also discussed them at length with its independent Consultants to ensure that the Board understood the technical issues relevant to the Project. The Board ensured that these issues were addressed during these proceedings.

F. Applicant Submits FEIS, and Planning Board Issues Comments

On October 5, 2009, the Applicant submitted the FEIS to the Planning Board for its completeness review. The FEIS was required under SEQRA to respond to all of the substantive comments raised by the Planning Board, other Involved and Interested Agencies, and the public during the DEIS review. The Planning Board, its independent Consultants and Special Counsel reviewed and scrutinized the FEIS to determine whether it was complete for the purpose of public review. The Planning Board identified deficiencies in the FEIS. On October 30, 2009, and again on November 20, 2009, the Planning Board provided the Applicant with extensive written comments on the FEIS, and directed the Applicant to address those comments in a revised FEIS.

G. Project Revised Through SEQRA: Agencies Approve 2011 Conceptual Site Plan

As SEQRA contemplates, the Project evolved as a result of the comprehensive environmental review that the Planning Board has led, including, significant agency and public comment, and insightful comments of the IDA/CDA. The Applicant spent the end of 2009 and all of 2010 evaluating the Planning Board’s comments on the FEIS, as well as analyzing evolving market conditions as part of its own continued due diligence regarding the Project.

On March 23, 2011, following additional collaborative discussions between the IDA/CDA and the Applicant regarding potential plan modifications, and in response to the Planning Board’s and the public’s comments on the FEIS, as well as additional evaluation and analysis of market

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conditions and Project objectives, the Applicant submitted the 2011 Conceptual Site Plan to the IDA/CDA for its review and approval under the LDA. The 2011 Conceptual Site Plan proposed, in summary, 860 residential units, a 250-unit hotel, 25,000 GSF of total retail, 50,000 GSF of office, 1,702,420 GSF of total residential development, 2,225,680 GSF of total private development, as well as significant public amenities and open spaces.

On April 26, 2011, the IDA/CDA unanimously passed their respective Resolutions approving the 2011 Conceptual Site Plan (the “IDA/CDA Resolutions”). The IDA/CDA Resolutions also authorized the Applicant to process the 2011 Conceptual Site Plan before the Planning Board as the Proposed Action or PUD Master Development Plan. As mentioned above, and discussed in greater detail below on page 27, the IDA/CDA Resolutions also granted the Planning Board the flexibility to approve certain modifications to the 2011 Conceptual Site Plan in the future, in response to changed market conditions, without the need for IDA/CDA approval.

II. Modified Project Is Presented In Revised FEIS

On May 6, 2011, the Applicant resubmitted an Application for Special Use Permit for PUD Master Development Plan Approval, together with a revised FEIS, which addressed the Planning Board’s and its Consultants’ prior comments on the original FEIS, as well as studied the potential environmental impacts associated with the 2011 Conceptual Site Plan. The PUD Master Development Plan presented in the revised FEIS and described in these Findings is a modified version of the Plan presented and studied in the 2009 DEIS (the “DEIS Plan”). The Proposed Action is referred to in the FEIS and these Findings as the “Modified Plan” or “FEIS Plan.” The Planning Board finds that the modifications described below and incorporated into the FEIS Plan represent improvements as compared to the DEIS Plan, without creating any new significant adverse environmental impacts not previously addressed by this Board in the DEIS.

Project elements that did not change include the total number of residential units proposed, which remained at 860 units; the number of hotel units, which remained at 250; the gross square footage of the Project (exclusive of structured parking) in the aggregate, which remained at 2,225,680 GSF; the scope and area of the proposed public amenities, and the types of uses.

As presented in the revised FEIS, modifications in the Project since the DEIS include the following:

1. Modification of Building Height and Massing

One of the primary concerns of the Planning Board, the IDA/CDA, and the public throughout the history of the Project has been the planned heights and massing of the Project’s buildings. The Village of Sea Cliff, among other commenters, raised concerns about the potential adverse visual impacts that the proposed heights may cause on the surrounding area.

The Planning Board paid particular attention to this issue during its review of the DEIS and FEIS. Under the MW-3 District regulations, “[m]aximum height [must] be established by the Planning Board.” Zoning Ordinance § 280-73.2C(3)(b)(2). The Board urged the Applicant to ensure that the Project harmonized with the surrounding community to the maximum extent.
of the overall PUD development program completed to that point, and the development program proposed as part of the then current PUD Site Plan, including the proposed number and types of units, in order to demonstrate to the satisfaction of the Planning Board and its Consultants that the flexibility Thresholds studied in the FEIS and permitted under the PUD Master Development Plan would not be surpassed by the then proposed PUD Site Plan. The comparative chart containing all of this information shall be entitled “Flexibility Compliance Chart” (or something similar agreed upon between the Planning Board and the Applicant), and shall be shown on each PUD Site Plan (akin to a zoning conformance table).

Upon receipt of a complete application for PUD Site Plan and/or PUD Subdivision Approval, the Planning Board and its Consultants shall, within a reasonable time, first review the comparative analysis, and make a threshold determination through a project review letter, regarding whether the proposed phase is consistent with the proposed uses, conceptual layout, general footprint, and building heights studied in the FEIS. This initial review shall also evaluate whether the proposed unit count and mix, in combination with any prior development activity at the Project Site, exceeds the Threshold limits identified in the PUD Master Development Plan Approval and these Findings regarding aggregate unit count and gross square footage.

If the proposed development program does not exceed the Thresholds adopted in these Findings, then no further SEQRA review shall be required in order for the Planning Board to continue to review, process and approve the PUD Site Plan and/or PUD Subdivision, provided that no other requirement under SEQRA necessitates some form of supplemental review as determined by the Board. In the event that a proposed phase is inconsistent with the PUD Master Development Plan and/or would result in the overall program exceeding the Project’s flexibility Thresholds, and assuming that the Applicant wishes to proceed with such proposal, then a supplemental SEQRA review and amendment of the PUD Master Development Plan would be required, subject to the Planning Board’s review and discretion.

I. Planning Board Accepts FEIS As Complete

Similar to the DEIS and original version of the FEIS, the Planning Board, its Independent Consultants, and Special Counsel reviewed thoroughly the revised FEIS to determine whether it was complete for the purpose of public review. The Planning Board identified various deficiencies in the revised FEIS. On May 23, 2011, the Planning Board provided the Applicant with comments on the FEIS, and directed the Applicant to address the Board’s and its Consultants’ comments in a revised FEIS. The Board’s and its Consultants’ comments addressed a wide range of issues, including, for example, substantive questions about Project phasing, green roofs, representative landscaping schemes, parking (including ADA accessible spaces), salinity tolerance of proposed wetland plantings, public amenity sequencing (including interim amenities), and Project flexibility. The Applicant resubmitted the FEIS on June 27, 2011. The resubmitted FEIS was intended to address and respond to the May 23rd comments. The Planning Board provided the Applicant with additional written comments on the resubmitted FEIS on July 22, 2011.

On July 26, 2011, certain members of the IDA/CDA provided the Applicant with additional written comments on the revised FEIS. These comments addressed issues relating primarily to 12/19/11
the capacity of School District to serve additional students, particularly the Landing School, the design of the entrance to the Hempstead Harbour Club, the Project’s open space calculations, and various technical PUD Master Development Plan drawing comments. The Planning Board also met with the Agencies to discuss their thoughts and comments about the Project, including the sufficiency of the revised FEIS. The Planning Board found it extremely helpful to have input from the Agencies as it considered whether to accept the revised FEIS as complete.

At a Planning Board meeting held on July 28, 2011, the Applicant provided the Planning Board with revised portions of the FEIS, demonstrating that it addressed the outstanding comments of the Board and its Consultants, as well as the comments provided by certain members of the IDA/CDA. At the July 28th meeting, the Planning Board unanimously accepted the FEIS as complete for the purpose of distributing it to the public.

J. Nassau County Planning Commission Completes GML Referral

Under New York General Municipal Law Section 239-m, the Application for Special Use Permit for PUD Master Development Plan Approval was referred to the Nassau County Planning Commission (the “Commission”) for its review and recommendation. On September 15, 2011, the Commission voted unanimously to adopt Resolution 9797-11, which recommended that the Planning Board “take action as it deems appropriate, the Commission having no modifications.” (Emphasis added).

This Resolution completes the GML referral process. It followed an appearance by representatives from the City and Applicant before the Commission on September 15, 2011, to update the Commission regarding changes to the Proposed Action since the DEIS. The Planning Board appreciates the Commission’s careful attention to the Project, as well as the comments the Commission issued under SEQRA on the DEIS and FEIS. The Commission’s comments on the FEIS are addressed as appropriate in these Findings.

K. Planning Board Holds FEIS Public Hearing

On September 20, 2011, although not required by SEQRA, the Planning Board held a duly noticed Public Hearing on the FEIS. The Public Hearing on the FEIS was held jointly with the required Public Hearing on the Application for Special Use Permit for PUD Master Development Plan Approval. More than 100 people attended the Hearing. Comments were made by the general public and Interested Agencies, with additional written comments accepted until September 30, 2011. Some of the agencies/groups that submitted written comments included DEC (Division of Environmental Permits, Region 1), State of New York Department of State, Nassau County Department of Health, Town of Oyster Bay, Glen Cove Chamber of Commerce, Hempstead Harbour Club, Hempstead Harbor Protection Committee, and Coalition to Save Hempstead Harbor. Many residents of the City of Glen Cove and the Village of Sea Cliff also submitted comment letters.

The Planning Board appreciates, in particular, the dedication of the residents of the City in bringing to the Board’s attention all of the relevant issues and concerns about the Project, both positive and negative. The Board knows that it has been a long review process, and that there are

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competing views regarding the appropriate redevelopment and future of this important waterfront Site. The Planning Board has paid close attention to all of the oral and written comments made during these proceedings, and deliberated at length to weigh and balance the differing views.

The Planning Board finds that the oral and written comments on the FEIS, and the questions raised at the Public Hearing, were satisfactorily addressed in the DEIS and/or FEIS. Many of the comments during the September 20th Public Hearing related to the modification in the proportion of rental/ownership units, whether the Project’s residents will be able to support the Ferry Project, and the overall scale of the Project. The written letters raised comments regarding, for example, possible alternative location for the amenities proposed for Block J in the event that the Gateway Properties are not acquired, water supply, stormwater storage and maintenance requirements, recent re-grading activities on the Captain’s Cove site, proposed signal timing changes, and outdoor noise. The transcript of the Public Hearing and the written comment letters are available for review in the Planning Board’s Office in City Hall.

The Planning Board has discussed all of these comments with its independent Consultants in order to evaluate what refinements, conditions and/or mitigation measures must be incorporated into the Project to achieve a proper balance under SEQRA between recognizing the benefits of the Project, while minimizing potential adverse impacts to the maximum extent practicable. The Board’s responses to these comments, as well as any required mitigation measures or conditions, are reflected throughout these Findings as appropriate.

III. Additional Public Outreach and Review During the SEQRA Process:

In addition to the formal actions taken above, which demonstrate strict compliance with SEQRA procedures, the Planning Board and the Applicant strongly encouraged other informal public participation, and conducted public outreach to a variety of community stakeholders, in recognition of the importance of the redevelopment of the former industrial properties along the north shore of Glen Cove Creek.

Specifically since the unveiling of the 2008 Conceptual Site Plan, the Applicant has met with the Glen Cove Business Improvement District, the Hempstead Harbor Protection Committee, the Coalition to Save Hempstead Harbor, the Angler’s Club, the Hempstead Harbour Club, the Garvies Point Museum, and the Glen Cove Chamber of Commerce, to discuss plan details and the issues of particular import for each group. Table II-9 in the DEIS provides a list of the dates of meetings and other actions that have been held throughout the course of the Project’s design and review process to fully engage the public, and to facilitate a dialogue on the details of the PUD Master Development Plan.

Further, the DEIS and FEIS, 2011 Conceptual Site Plan, as well as other SEQRA documents and notices have been posted on the City’s website and readily available for public review throughout this process.

The Planning Board and IDA/CDA have also held numerous Work Sessions, both separately and together, and oftentimes with the Planning Board’s Consultants and/or the Applicant present, to

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discuss and analyze various issues related to the planning, design, and environmental review of the Project. Additional meetings were held with various Involved and Interested Agencies as part of the process, including, DEC and Nassau County Department of Public Works ("NCDPW"). The meeting with NCDPW successfully resolved an issue concerning the appropriate standard to govern the design of the Project’s stormwater management facilities. The Planning Board’s Consultants attended or otherwise participated in most of the meetings. The Board’s Consultants also conducted several telephone conferences and meetings directly with the Applicant’s Consultants to discuss and resolve the relevant technical issues involved in the Board’s review of the PUD Master Development Plan.

Taken together, the numerous meetings, hearings, presentations, etc., held over what has been an approximate seven (7)-year planning and review process, has enabled the Planning Board, as Lead Agency, to take an extraordinarily hard look at all of the relevant environmental issues during its SEQRA review.

IV. **Summary of Discretionary Approvals and Involved Agencies**:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Approval(s) Needed</th>
<th>Descriptions</th>
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<tbody>
<tr>
<td>Glen Cove Planning Board</td>
<td>Special Use Permit for PUD Master Development Plan PUD Site Plan/PUD Subdivision</td>
<td>Approval of Mixed-Use PUD to include residential, hotel, retail, cultural, office, recreational and entertainment components subject to provisions of MW-3 and GPURP</td>
</tr>
<tr>
<td>Glen Cove Department of Public Works</td>
<td>Water Connection permit Intersection modifications</td>
<td>Permits for site specific design components Approval of traffic mitigation measures</td>
</tr>
<tr>
<td>Glen Cove Tree Commission</td>
<td>Tree Removal permit</td>
<td>Permits for site specific design components</td>
</tr>
<tr>
<td>Nassau County Planning Commission</td>
<td>Section 239-m NYS General Municipal Law Subdivision (possible)</td>
<td>Review and comment on RXR Glen Isle application Possible subdivision depending on application of Section 1610(2) of the Nassau County Charter</td>
</tr>
<tr>
<td>Nassau County Health Department</td>
<td>Subdivision Restaurant, hotel and swimming pool permits Backflow preventers UIC testing and approvals</td>
<td>Approval of water supply, sewage disposal provisions Plan review and operational permits for restaurants, hotel, swimming pool Approval of backflow preventers installation Testing and remediation of any “UIC point” where chemicals could enter the groundwater system</td>
</tr>
<tr>
<td>Nassau County Department of Public Works</td>
<td>Road Opening permits Sewer Connection permits 239f Drainage permit Intersection and signal timing modifications</td>
<td>Permits for site specific design components Approval of traffic mitigation measures</td>
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<tr>
<td>Nassau County Fire Commission</td>
<td>Fire Marshal approval</td>
<td>Site layout/circulation and water main distribution system design approval</td>
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<td>New York State Health Department</td>
<td>Certification(s) of compliance with public health and safety Site Management Plan, Environmental Easement and ICs/ECs (as part of NYSDEC review and approval)</td>
<td>Certification(s) of compliance with public health and safety</td>
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<td>Glen Cove IDA and Glen Cove CDA</td>
<td>Material modifications to approved Conceptual Site Plan</td>
<td>Review and approval of any material modifications to development plan</td>
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<tr>
<td>NYS Dept. of Environmental Conservation</td>
<td>Article 25 – Tidal Wetlands Article 15 - Protection of Waters401 Water Quality Certification Permits Article 24 – Freshwater Wetlands (only if proposed activities are within 100 feet of Mill Pond) Long Island Well (dewatering) SPDES General Permit for Stormwater Discharges Article 19 – Air Pollution Control Site Management Plans, Environmental Easements, Explanation of Significant Difference (&quot;ESD&quot;) for Captain’s Cove, and concurrence ESD for Li Tungsten Parcel A if required by EPA Gladysk remediation completion Gateway Properties, Angler’s Club, Sewage Pumping Station: If environmental conditions are identified that require entrance into an applicable regulatory program</td>
<td>Tidal wetlands and Navigable waters permit; Freshwater wetlands permit (only if proposed activities are within 100 feet of Mill Pond); pollution discharge permits; stormwater management Framework for dealing with environmental issues prior to, during and post-construction, including periodic certification Final approval of remedial action completion report Review and approval of investigation and remedial plans prior to, during and post-construction, including periodic certification</td>
</tr>
<tr>
<td>NYS Department of State</td>
<td>Coastal Consistency Certification</td>
<td>Consistency with the Federal Coastal Zone Management Program in New York State</td>
</tr>
<tr>
<td>NYS Department of Transportation</td>
<td>Signal timing modifications and turn restriction</td>
<td>Approval of traffic mitigation measures</td>
</tr>
<tr>
<td>USACOE</td>
<td>Section 10 of the Rivers &amp; Harbors Act of 1899; Clean Water Act Section 404; Compliance with National Environmental Policy Act</td>
<td>Permits for bulkhead modification/wetland creation in upper Glen Cove Creek and Renaissance Park; dredging and construction of marina facilities.</td>
</tr>
<tr>
<td>USEPA</td>
<td>Site Management Plans, Environmental Easements, and ICs/ECs for Li Tungsten (review and concurrence with NYSDEC process) Explanation of Significant Difference if determined to be required for Li</td>
<td>Framework for dealing with environmental issues prior to, during and post-construction Review and approval of remedial action plan, and oversight and approval of remedial action</td>
</tr>
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</table>
V. Ongoing Environmental Obligations:

A. Introduction

A paramount concern of this Board and the public throughout the SEQRA process has been to ensure that the Project Site is suitable for the Project’s intended residential and other uses. The Planning Board retained the consulting services of ERM, one of the preeminent environmental consulting firms, to advise the Board with respect to environmental remediation and related health and safety issues. The Board, together with ERM, has reviewed all of the pertinent environmental data and information, and has participated in and closely monitored the ongoing discussions between IDA/CDA, DEC, EPA, and the Applicant to understand fully the current status of the remedial activities, and what steps remain to finalize DEC and EPA approvals for “residential use” at the Project Site.¹

The Planning Board notes that most of the properties comprising the Project Site have been studied extensively and have undergone extensive remediation pursuant to ongoing EPA and DEC environmental regulatory programs. To date, approximately $100 million of public funds have been spent towards investigation and remediation of these waterfront properties. The remediation was intended to achieve the regulatory objective of ensuring that environmental conditions are protective of human health and the environment. These efforts have made possible the goal of restoring the properties to safe and productive uses consistent with an active and thriving waterfront.

¹ As used in these Findings and the FEIS, the term “residential use” shall mean “Restricted Residential Use” as defined pursuant to 6 NYCRR Part 375. The Board appreciates DEC making this clarification in its comment letter on the FEIS.