

LEGAL NOTICE

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

D/B/A EMPIRE STATE DEVELOPMENT

NOTICE OF PUBLIC HEARING TO BE HELD MONDAY, DECEMBER 21, 2020

PURSUANT TO SECTIONS 6 AND 16 OF THE NEW YORK STATE URBAN

DEVELOPMENT CORPORATION ACT

IN CONNECTION WITH

THE PROPOSED MODIFICATION OF THE GENERAL PROJECT PLAN FOR THE

BELMONT PARK REDEVELOPMENT CIVIC AND LAND USE IMPROVEMENT

PROJECT

PLEASE TAKE NOTICE that a public hearing, open to all persons, will be held by means of video conferencing by link:

https://zoom.us/webinar/register/WN_85oiS7XNRAKjN23q1RgssA

to commence on Monday, December 21, 2020 from 6:00 p.m. until 9:00 p.m. by the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) pursuant to Sections 6 and 16 of the New York State Urban Development Corporation Act (Chapter 174, Section 1, Laws of 1968, as amended; the “UDC Act”) to consider: (a) the proposed modifications (the “2020 Modification”) of the General Project Plan, affirmed as modified on August 8, 2019 (the “2019 MGPP”) for the Belmont Park Redevelopment Civic and Land Use Improvement Project (the “Project”). Detailed instructions for accessing the virtual meeting will be available on: <https://esd.ny.gov/belmont-park-redevelopment-project>.

The public hearing is for the purpose of: (1) informing the public about the proposed 2020 Modification; (2) giving all interested persons an opportunity to provide comments on the 2020 Modification, pursuant to Section 16 of the UDC Act; and (3) giving all interested persons an opportunity to comment on the 2020 Modification's proposed modifications to the essential terms of the conveyances and leases with respect to the Project, pursuant to Section 6 of the UDC Act.

Project Site

The Project is located within the unincorporated hamlet of Elmont in the Town of Hempstead (the "Town"), in Nassau County (the "County"), on an approximately 43-acre site (the "Project Site"), located to the south of Belmont Park Racetrack, bisected by Hempstead Turnpike, and generally bounded by Belmont Park Racetrack to the north, Cross Island Parkway to the west, Belmont Park Racetrack, Huntley Road and Wellington Road to the east, and Cross Island Parkway Exit 26A exit ramp and Hathaway Avenue to the south. The Project Site consists of two parcels: the approximately 15 acres of "Site A", north of Hempstead Turnpike, and the approximately 28 acres of "Site B", south of Hempstead Turnpike.

Project Description

The Project includes the development of: (a) on Site A, (i) an approximately 19,000 seat arena (the "Arena"); (ii) up to approximately 35,000 gross square feet ("gsf") of experiential retail, dining and entertainment uses; (iii) a hotel with up to 250 guest rooms (keys), amenities, retail, dining, and beverage uses, and conference and event facilities and up to 400 parking spaces in its podium (the "Hotel"); (iv) up to approximately 30,000 gsf of commercial office space (the "Commercial Office Facility"); and (v) up to

approximately 2.0 acres of landscaped plazas that would be accessible to Belmont Park Racetrack patrons and those visiting and using the Site A development; (b) on Site B, up to approximately 315,000 gsf of destination retail uses with up to approximately 1,500 parking spaces located in a structure beneath the retail development and with approximately 3.75 acres of publicly accessible passive open space and landscaped berms that will serve to buffer the Site B development from the adjacent residential neighborhood (collectively the “Retail Village”); (c) throughout the Project Site, approximately 10,000 gsf of community space that is expected to offer education and development services; and (d) grade-separated connections for pedestrians and vehicles above or below Hempstead Turnpike providing access between Sites A and B. While Site A may have up to approximately 35,000 gsf of experiential retail, dining, and entertainment uses and Site B may have up to approximately 315,000 gsf of destination retail uses, the aggregate of such uses on the Project Site will not be more than approximately 350,000 gsf. The Project is described in greater detail in the 2019 MGPP. The Project would be designed in accordance with Design Guidelines established by ESD and enforced the transaction documents for the Project.

Public Purposes

The public purposes and needs for the Project include: (a) transforming the underutilized and deteriorating Project Site into one of Long Island’s premier destinations for entertainment, sports, hospitality, and retail, with uses that are complementary to the existing uses of Belmont Park Racetrack; (b) providing a state-of-the-art arena to accommodate the return to Long Island of the Islanders while also providing a first-class facility for the region's colleges and local academic institutions and sports club events and

competitions, and a new venue for a variety of cultural, musical, entertainment, recreational, and civic events; (c) generating additional new private economic activity and related New York State (“State”), County and municipal revenues (including sales tax revenues from operations and event tax and income tax revenues from events at the arena, and the Project’s entertainment, retail, hotel, food and beverage, and commercial office uses) by providing a venue for professional hockey and other events in the County that would otherwise occur elsewhere, and by the new jobs for New York residents to be created by the Project’s entertainment, hotel, retail and office uses; (d) maximizing economic benefits to the State while minimizing adverse environmental impacts; (e) benefiting the Long Island region, the County, Town and the neighborhoods and communities adjacent to and surrounding the Project; (f) maximizing incorporation of green building and sustainable design practices; and (g) offering meaningful participation of Minority-Owned Business Enterprises, Women-Owned Business Enterprises and Service-Disabled Veteran-Owned Businesses. The proposed 2020 Modification does not affect the Project purpose and need.

Proposed Modification of the 2019 MGPP

New York Belmont Development Partners, LLC (“BDP” or the “Master Lessee”), and its affiliate, New York Arena Partners LLC (“NYAP” and BDP and NYAP collectively the “Developer”) have progressed the Project, and (as further described below) in order to improve and advance the Project the proposed 2020 Modification would make the following changes to the 2019 MGPP: (i) relocation of proposed parking on Site B from beneath the Retail Village to a freestanding parking structure on Site B; (ii) reallocation of 25,000 gross square feet of retail space from Site A to Site B; (iii) an increase in the

authorized number of subleases/ground leases for the Project from four to six; (iv) substitution of a landscaped wall rather than a landscaped berm along the eastern perimeter of Site B; and (v) inclusion of a hydrogen fuel cell technology option for the Project's shuttle transportation.

It is proposed that the 2019 MGPP is to be modified by the 2020 Modification in order to effect the following changes to the Project:

Relocation of Proposed Parking on Site B from Beneath the Retail Village to a Freestanding Parking Structure. Replace the 1,500 parking spaces originally programmed beneath the retail buildings with a freestanding, 1,500-space garage. That parking structure (the "Site B Garage") would be located on the northeast portion of Site B, on the frontage of Hempstead Turnpike. The structure would provide parking on six levels and would have a roof height of no more than 60 feet. Constructed of materials similar to those of the Site Arena structure, the garage would be of open deck construction with circulation towers at the northwest and northeast corners of the building, stairs and elevators in the northeast tower, and stairs in the northwest tower. The southeast and the southwest corners of the garage structure would have neither a tower feature nor circulation. The proposed parking structure would serve both the Retail Village and the Arena, and such shared use is consistent with the 2019 MGPP.

Reallocation of 25,000 Square Feet of Retail from Site A to Site B. Reallocation to Site B, for use as destination retail, of 25,000 gross square feet ("gsf") of commercial space originally approved in the 2019 MGPP for Site A. The Project would continue to include no more than 350,000 gsf of retail, dining and entertainment uses across Sites A and B. In the 2019 MGPP, this consists of up to approximately 35,000 gsf of experiential retail,

dining, and entertainment uses on Site A, and up to approximately 315,000 gsf of destination retail uses on Site B. The modification would result in 10,000 gsf of experiential retail, dining and entertainment uses on Site A, and 340,000 gsf of destination retail use on Site B.

Increase in Allowable Ground Leases. In addition to the four subleases contemplated in the 2019 MGPP, there would be two additional subleases permitted under the master lease agreement with the Developer: one for the Site B Garage and one for a potential commercial building on Site A (the “Site A Commercial Building”). As is the case with the subleases authorized in the 2019 MGPP, upon substantial completion of construction of each sublease site, the sublease would be converted to a direct ground lease between ESD and the sublessee.

Substitution of a Landscaped Wall Rather Than a Landscaped Berm Along the Eastern Perimeter of Site B. Include a 10-foot concrete wall and extensive landscaping as the buffer on the eastern boundary of Site B rather than the berm described in the 2019 MGPP. The proposed modification would retain the same amount of Site B open space

Inclusion of Hydrogen Fuel Cell Technology Option for Project Shuttle Transportation. The 2019 MGPP requires that the Developer provide electric shuttle transportation to the Project Site from the Long Island Rail Road’s Elmont Station and from Belmont Park Racetrack’s North, South and East Lots. The proposed modification would allow for such shuttle transportation to also or alternatively operate on zero-emission hydrogen fuel cell technology.

Essential Conditions of the Proposed 2020 Modification Lease Dispositions of the Property

As described in the 2019 MGPP, pursuant to the master ground lease for the Project

Site, the master lessee would enter into separate subleases for components of the Project (the Arena, the Hotel; Retail Village, and the Site A experiential retail, dining, and entertainment space). In addition to the four subleases contemplated in the 2019 MGPP, the 2020 Modification would allow that two additional subleases be permitted under the master lease agreement: one for the Site B Parking Garage and one for the potential Site A Commercial Building — enabling each of these components to be separately financed. As is the case with the subleases authorized in the 2019 MGPP, (i) upon substantial completion of construction on each 2020 Modification proposed sublease site, that sublease premises would be severed from the master lease premises and the sublease would be converted to a direct ground lease between ESD and the sublessee and (ii) each proposed sublease and severed direct lease would be expected to provide for funding a capital improvement fund or another arrangement to assure that at the end of the applicable lease term (a) each facility on the leasehold premises is an up-to-date facility suitable for continued use or (b) the leasehold premise is cleared of all improvements and returned to a raw graded condition.

The Project Site is exempt from real estate taxes due to its fee ownership by ESD. The master lessee and the sublessee of each Project component shall pay to ESD, as supplemental rent, payments—in-lieu-of-taxes (“PILOT”). With respect to the Site B Garage and the potential Site A Commercial Building, PILOT shall mean an amount equivalent to actual real estate taxes subject to a ten year abatement period on the improvements phased in on a straight line basis with fixed per annum incremental rate increases to reach full tax equivalency and subject to subsequent assessments and special assessments. ESD will cooperate in a sales tax exemption with respect to building materials,

fixtures and items related to construction occurring on the Project Site and mortgage recording tax exemption for the financing of the Project development.

Discretionary Actions

For the 2020 Modification, several ESD discretionary actions are subject to review pursuant to the UDC Act, include ESD's affirmation of the proposed 2020 Modification and authorization of the proposed 2020 Modification of the master lease for the two additional subleases/ground leases for the Site B Parking Garage and the Site A Commercial Building. After the public hearing is held and the subsequent 30-day public comment period is concluded, it is expected that the ESD Directors will be requested to affirm, or if appropriate, modify and affirm, the 2020 Modification. In addition, to effectuate the Project modifications, as described in the proposed modification to the 2019 MGPP, ESD would exercise its statutory authority to override local zoning requirements that apply to the Project site and any other local laws which are inconsistent with the 2020 Modification. Subject to such overrides and the Design Guidelines, the New York State Uniform Fire Prevention and Building Code (the "Building Code") will apply with respect to the 2020 Modification, including with respect to all construction, buildings, structures and infrastructure on the Project Site related to the 2020 Modification.

Potential Impacts of the Project

ESD, as lead agency, prepared an Environmental Impact Statement ("EIS") for the Project pursuant to the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. The ESD Directors accepted the Final EIS in July 2019 and adopted SEQRA Findings on August 8, 2019.

In order to adequately assess whether any new or substantially different significant adverse environmental impacts could result from the 2020 Modification, ESD has prepared a Technical Memorandum (the “Tech Memo”). The Tech Memo concludes that the proposed modifications would not result in any significant adverse environmental impacts not previously identified in the Project’s environmental review. Therefore, a Supplemental Environmental Impact Statement is not needed, and no further environmental review is needed in connection with 2020 Modification.

Availability of the Proposed 2020 Modification to the 2019 MGPP

The proposed 2020 Modification, which contains a detailed description of the proposed modifications to the Project, the 2019 MGPP and the Tech Memo and are available at the ESD web site at <http://esd.ny.gov/belmont-park-redevelopment-project> and are on file at the office of ESD, 633 Third Avenue, New York, New York 10017 available for inspection by the general public between the hours of 9:30 a.m. to 5:00 p.m., Monday through Friday, public holidays excluded.

Hard copies of the 2020 Modification and the Tech Memo on either a flash drive or CD are available, without charge, to any person requesting such copies at the office of ESD at the address given above. Pursuant to Section 16(2) of the UDC Act, ESD also has filed a copy of the 2020 Modification in the office of the Nassau County Clerk and in the office of the Hempstead Town Clerk and has provided a copy thereof to the Town of Hempstead Supervisor, Nassau County Executive, Presiding Officer of the Nassau County Legislature, and Chair of the Nassau Planning Commission. To inspect and/or obtain copies of the 2020 Modification and the Tech Memo from ESD, please contact Stacey Teran at (212) 803-3803 at 633 Third Avenue, New York, New York 10017.

Comments

Comments on the proposed 2020 Modification are requested. Comments may be made orally during the hearing on December 21, 2020, delivered in writing to ESD, 633 Third Avenue, New York, New York 10017 (Attention: Stacey Teran), on or before 5:00 p.m. on Monday, January 20, 2021 or sent by e-mail to belmontoutreach@esd.ny.gov, on or before 5:00 p.m. on Monday, January 20, 2021. Written or e-mailed comments received after 5:00 p.m. on January 20, 2021 will not be considered.

All verbal comments made at the public hearing and all written comments received by ESD prior to 5:00 pm on January 20, 2021 will be considered by ESD prior to final consideration of the proposed 2020 Modification.

Dated: November 20, 2020

New York, New York

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION D/B/A
EMPIRE STATE DEVELOPMENT

By: _____
Debbie Royce
Corporate Secretary