

Appendix A-9
Letter of Understanding between Applicant and East Quogue UFSD

August 20, 2015



Discovery
LAND COMPANY

August 20, 2015

East Quogue Union Free School District (UFSD)
6 Central Avenue
East Quogue, NY 11942
Attn: Robert Long, Jr., Assistant Superintendent/Principal

**Re: The Hills at Southampton
Planned Development District (PDD)
PDD Application
NPV #05105**

Dear Mr. Long:

I have prepared this Letter of Understanding on behalf of Discovery Land Company (DLC) in my role as senior vice president and project manager for The Hills at Southampton proposal, in order to verify with you the benefits that DLC will provide to the East Quogue UFSD (the District) as part of the project.

As you will recall, we have been discussing a number of specific benefits that DLC could provide to the District, including:

1. Ensure that no children residing at the project will attend the East Quogue UFSD, to be enforced through voluntary restrictive covenant; this is supported by the DLC business model for this and other projects, which involve a seasonal resort community with virtually no year-round occupancy.
2. Use of the project site for East Quogue UFSD environmental educational programs.
3. Allow the Westhampton Beach High School golf teams to practice at the golf course, based upon a mutually agreed upon schedule.
4. Contribution of an annual charity outing using the club facilities to generate revenue for the District.
5. Create a fund to award a \$10,000 college scholarship to each of two District graduates annually. The fund will award new scholarships for a period of 10 years, for a total fund of \$200,000.

In addition to the above items, we had discussed a number of specific benefits that could be provided to the District, and include:

- Sixty (60) iPads (or the Samsung equivalent)
- Two (2) charging carts for the iPads/Samsung equivalents
- Electronic school sign
- Sound system contribution
- Irrigation system(s) for three (3) play fields
- Athletic field renovation
- Installation of sidewalk, driveways and one crosswalk along the south side of Old Country Road, from Lewis Road to Central Avenue to enhance access to the EQ Elementary School
- Funding to install a playground at the EQ Elementary School
- Offer to dedicate a .52-acre parcel of land (SCTM: 340-01-02) to the District



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With respect to the college scholarship fund noted in Item 5, the scholarships:

1. Will be awarded to two college students each year, for a period of 10 years, to the two Westhampton High School graduates having the highest grade-point averages and had attended elementary school in the EQ UFSD; and
2. Will be allocated at a rate of \$2,500 per year for four years, as long as the recipient maintains a GPA of 3.0 or greater, and will apply to an accredited 4-year college or university.

The funding for a playground at the EQ Elementary School noted above would be provided in the amount of \$190,000. The District has advised me that, in lieu of the previously described items on the list, donation of a lump sum of \$500,000 to the District's Capital Improvement Fund would be preferred, to occur when the project has obtained all necessary permits and approvals, and no impediments to begin construction exist (such as opposition lawsuits).

Finally, note that use of the project's golf course by the Westhampton Beach High School golf teams will require an agreement letter to be countersigned by DLC.

Please contact me at your earliest convenience with any input you may feel warranted on the items in the above list, so that a mutually satisfactory arrangement can be reached.

If you have any comments or additional information on this matter that would be pertinent, please include them. Finally, if you have any questions or require additional information, please do not hesitate to contact me.

Kindly acknowledge receipt by signing and returning a duplicate copy of this letter to:

Phillip A. Malicki, Senior Environmental Planner
Nelson, Pope & Voorhis, LLC
572 Walt Whitman Road
Melville, NY 11747

Very truly yours,

Mark Hissey
Senior Vice President
Discovery Land Company

CC: Cynthia McNamara, Member, Board of Education

Robert Long, Jr., Assistant Superintendent/Principal