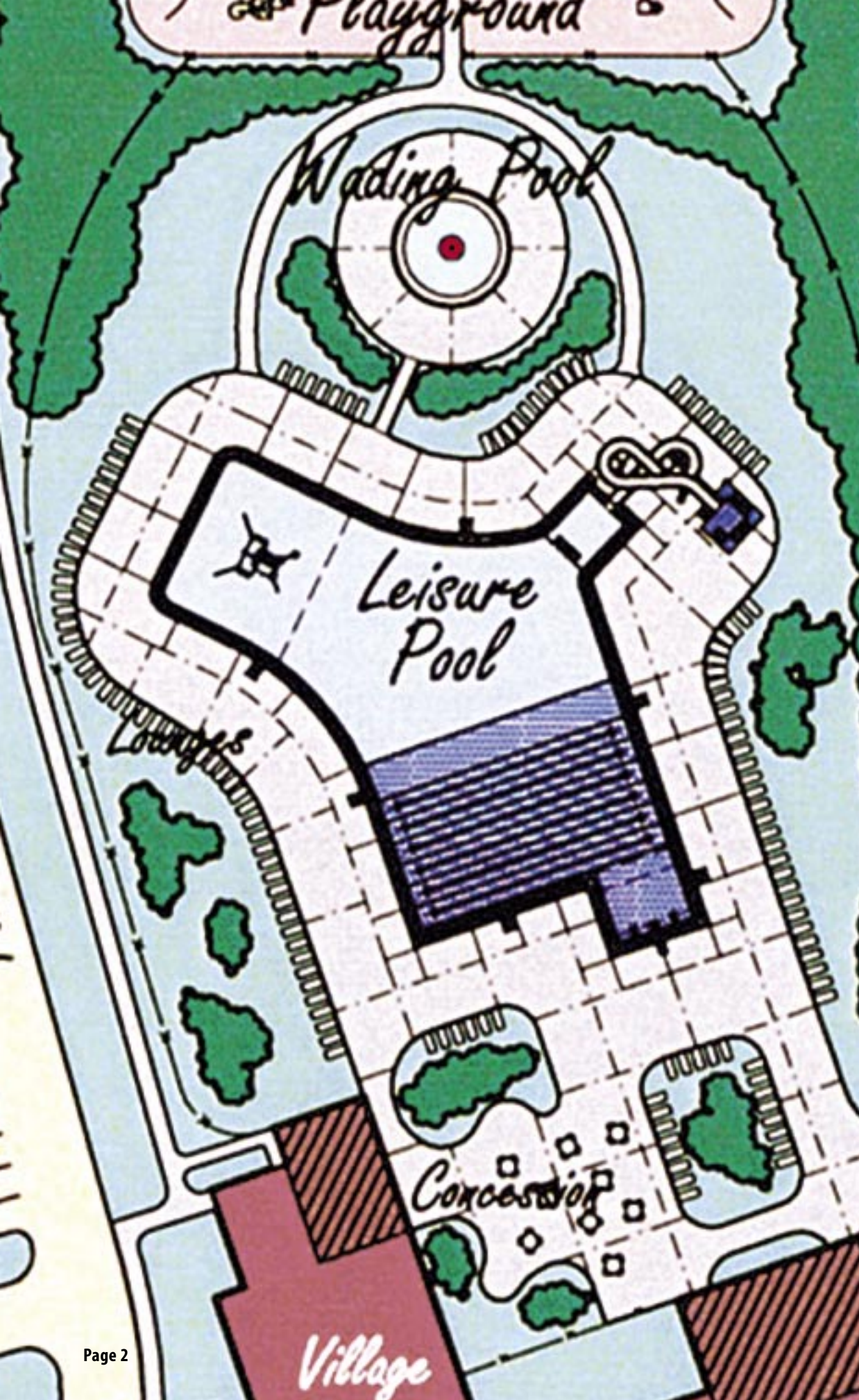


An aerial illustration of a park. In the center is a large swimming pool with a yellow slide and a blue slide. To the left is a playground with a red and blue structure. To the right are tennis courts. The park is surrounded by green trees and a path. The title is overlaid on a white oval with a teal border.

THE
Park
at
East Hills



A MESSAGE FROM THE MAYOR

All New Plans for a State-of-the-Art Park for East Hills

August 25, 2003



Dear Friends
and Neighbors,

After years of negotiation and debate with the Federal Government and Congress, we paid only \$3,010,000 for the entire 50+ acres of land we now own. While we initially received a mortgage, we paid off the entire purchase price within one year by selling off 3.3 acres of other village-owned land. This combination of positive factors now presents our community with an opportunity to convert the former military base into a park to be enjoyed by all our residents.

Appreciation in Our Home Values –

We believe that a beautiful park with acres of jogging and nature trails, a spacious outdoor pool, tennis courts, athletic fields, playgrounds and sports facilities will further increase the value of our community and sales price of our homes.

The Need to Transform the Military Base –

The present property is asbestos-filled barracks, old Air National Guard offices and buildings, and neglected or discarded military facilities. The razor wire fence needs to be taken down, lead paint and asbestos needs to be removed, pavement needs to be replaced with grass, and the land needs to be re-graded to give way to new fields, jogging paths, running trails and playgrounds. The costs of demolition, new roads, and re-grading alone could be as high as one-third of all expenditures. Therefore, a sizable portion of the expenses involved is for fixed costs to transform the property and allow it to be safely used by adults, children, and grandchildren.

Cutbacks from Comprehensive Proposal –

The original full-scale park has been modified to reduce expenses significantly. A \$28 million bond was reduced to \$17 million and the overall operating costs cut by 60%. Almost all indoor facilities were omitted, including an indoor pool,

a fitness center, new courthouse and community center. Our hope was to find a proposal that would receive widespread support. We believe that the new, modified, more limited in scope project better reflects the current needs of East Hills.

Interest Rates Low – With interest rates at record lows we need to act now in order to avoid higher and more costly interest payments. These lower interest payments will benefit our village for 20 or more years.

Tax Deductibility – Since all costs and expenses are paid by your village government, our accountants have informed us that the costs of the park are tax deductible. Besides the appreciation of our homes that is predicted, the tax deductibility of costs is an added incentive.

First Class Facilities – While the magnitude and scope of the park have been significantly reduced, the style and character of the park has not been compromised. We plan on offering the finest facilities. We have re-invented the focus of the park to be outdoor rather than indoor, but we have never wavered from our commitment to build a park that you will be proud to say is yours.

We intend to hold two public comment sessions. After receiving input from the community, the next essential step is for the Board to meet and formally resolve to proceed. In order to plan ahead, the referendum has been tentatively been scheduled for a vote by our residents on October 8, 2003. If approved, we plan on celebrating groundbreaking in April of next year. As always we welcome your thoughts and invite your input. Please feel free to call me at Village Hall with your suggestions and recommendations.

With my best wishes,

Michael R. Koblenz, Mayor



The Outdoor Swimming Pools

From Memorial Day to Labor Day the outdoor pools will be open for our residents to enjoy. We plan a spacious 10,000 square foot, 85' x 160' irregular shaped heated pool for the residents, with a winding slide over 100 feet in length which twists and turns until it meets the water, lap and competitive swim lanes, recreation diving, and interactive play equipment at the zero depth pool entry. We also included a separate wading pool for the toddlers. There will be plenty of bubbles, raindrops, and even water sprays. We'll have areas to enjoy the sun, but for those who prefer the shade there will be plenty of umbrellas. We plan on having more than adequate seating, and ample lounge chairs. We'll have an outdoor eating area for breakfast, lunch and early dinner, with a menu offering a variety of healthy foods, snacks, and soft drinks. The area around the pool will be completely enclosed with fencing to ensure the safety of our youngest children, and be filled with plush landscaping.

Multi-use Fields to Host Softball, Little League and Overlapping Soccer Fields

The park will offer an adult softball field, a little league field and three overlapping soccer fields. Athletes will enjoy competing in these and other sports on the sports fields located in the Northeast area of the park.



Tennis Facilities

We plan on offering six outdoor courts set in the most private, secluded, and picturesque area of the park. The all weather Deco Turf tennis courts will be built into the natural landscape.



Playgrounds

Children and grandchildren will enjoy playing hours each day on the newest slides, swings, and adventure equipment provided at the two age distinct parks; one for preschoolers and the second for children 5-9. The pre-schoolers' playground features safety surfaces and includes playground equipment designed for toddlers. As parents and grandparents supervise their children, there will be plenty of shade and park benches. The area will be properly fenced to ensure safety. The second playground will offer challenges for older children including tunnels, large swings, stepped platforms, and bridges, among many other adventurous attractions. With an estimated 1,000 children in East Hills ages 1-10, these facilities would no doubt be enjoyed frequently.



Senior Lounge

The esteemed seniors in our village will have their own lounge to meet, play cards, have classes, programs and even lectures. It will be a home away from home with unlimited enjoyment and fun. It may even become a meeting place before sightseeing and other day trips begin.



Jogging Trail

A trail is designed to span over a mile in distance and traverse the entire perimeter of the park. Joggers will travel through densely wooded areas and through sunny parts of the park, while at the same time, watching interesting sports competition being held all around them.



The Nature Trail

Nature lovers and adventurers will have a winding, elevated, scenic nature trail. As our residents walk through over 10 acres of wooded area at the park they will see indigenous and migratory birds, lush green vegetation, and a special variety of plants. The specially constructed trail will feature wood chips which would form a comfortable footpath for hiking.



Soccer

For the exciting athletic competition we will have three overlay junior soccer fields at the sports fields. It's at this location where America's fastest growing sport will be played by our children, and by our local league. We hope that the sports fields will be well utilized so that sports will be played most of the year.



The Auditorium

Watch our children perform on stage in our newly renovated 150-seat auditorium. The audience will see the rare talents of children as they develop into musicians, dancers, and performers.

Sport Fields for Picnics and Concerts

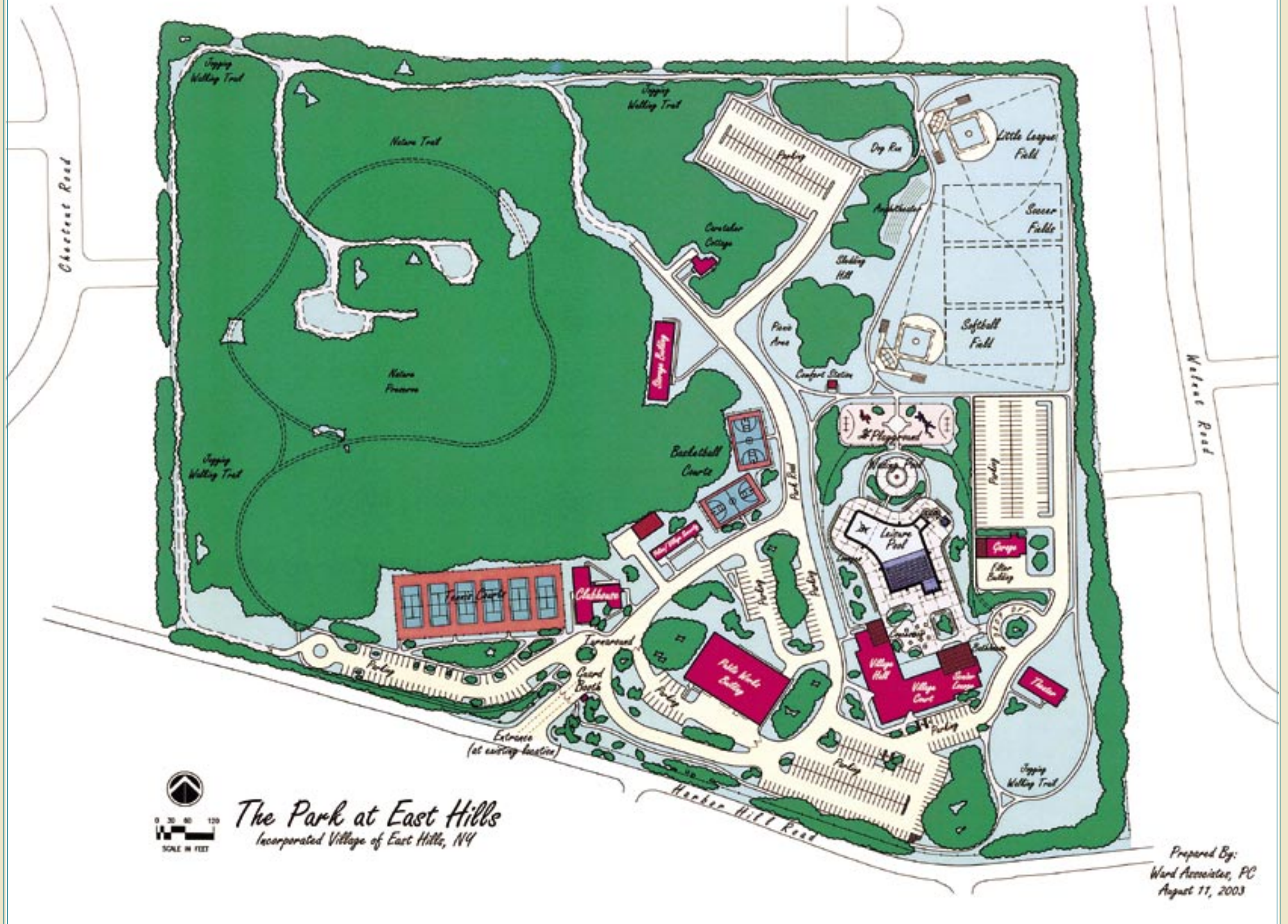
Join us on beautiful summer evenings; bring a lounge chair, or sit on sloped grass areas while listening to concerts and performances. We plan to have singers, musicians, and even comedians perform for our residents from an area located on the sports fields. Bring a chair or a blanket, meet your neighbors, and enjoy the evening's performance.



The Bicycle and Rollerblading Path

For bicyclists and rollerblading enthusiasts we'll offer over a half-mile of specially paved path which can be used at scheduled times. Watch your friends play sports, swim, or compete as you tour the property on your bike. We'll even offer some bicycles for two to add to the excitement and fun.

Map of the Proposed Park at East Hills





Basketball Courts

Located close to the sports fields will be two regulation-sized basketball courts which will be constructed with top quality surfaces and backboards.



Dog Run/Play Area

For our canine friends, we will have a special place for our pets to run and play. With an estimated 58% of all New York households owning dogs, and East Hills almost certain to produce similar figures, this area exclusively for dogs should be a big hit. Throw Frisbees, toss balls, or just give your pet some exercise. Of course, all residents will be responsible for their own pets, including behavior and clean-up.



Sledding

When our cascading hill next to the sports field is covered with snow, we'll offer sledding for children and even adults.

OUR FIRST AND FOREMOST PRIORITY

Security at the Park at East Hills

To fully address the number one concern of safety, Mayor Koblenz and the Board of Trustees relentlessly persisted until they gained the Sixth Precinct's police presence at the park. The police force now has a satellite office at the entrance to the park. The comprehensive effort was deemed necessary by the Administration because they knew that a police presence would be a deterrent against crime and mischief at the park. That is why we will also continue to have a guard stationed 24 hours a day, seven days a week at the entrance.

We will employ electronic surveillance with separate secure entrances for the park, tennis and other facilities. In order to enter, residents will use photo identification cards which will be issued by the village. Then too, a caretaker will live on the property to monitor security and ensure further safeguards at the new park.

In addition, we will also adopt the strictest security procedures. We will require picture identification passes issued to all residents to be shown when entering the park. We will also require that no guest be admitted without an adult who is a resident. Only one entrance for all residents and guests would be used in order to guaranty the highest degree of security and safety. The park will also close all outdoor sports facilities before dark so that adequate safety precautions and protections can be ensured.

A standing committee has been formed to oversee security at the park. The committee is charged with taking every necessary measure to protect the safety and well being of our children, residents, and guests at the park.

Sports/Park Committees

We also plan to establish a Committee on Sports Conduct which will establish rules for good sportsmanship, safe and proper sports equipment, appropriate dress requirements, and other necessary rules. We will continue to also have a Landscape Committee, a Parks and Recreation Committee to determine guest privileges, etc., a Public Works Committee, a Renovation Committee, and many other committees to plan and implement the events and operation of the park.

Adequate Parking

For our parking needs, the new Park at East Hills will have over 500 parking spaces for cars and vehicles. Special plans are being made for parking throughout the property so that convenience is maximized. In addition, while residents will be able to enter and use all of the available parking, visitors will have a turn-around isle near the entrance to drop off little league and soccer players. In addition, all sports competition will be coordinated to prevent congestion.

An Historic Perspective

“The greatest deal since the Dutch bought Manhattan from the Indians for \$24.”

Well before the village acquired the property at the Air National Guard base, a carefully planned strategy had been in place. As far back as 1994 Mayor Koblenz and the administration acted to ensure that both the village and the base would be fully protected if the military post were ever closed. The Mayor and Board of Trustees were fearful that the base might someday close and be replaced with low-income housing, a major commercial post office processing facility, or even a drug rehabilitation center. These concerns turned out to be warranted. The fears were real because whenever a federal military base closes the first order of business by the government is to enquire if any governmental agency needs the property. Indeed, as it turned out, we understand HUD, with its low-income housing expressed a strong interest in the property. But through concerted efforts in Washington, and with the help of Congressman Gary Ackerman who was a strong and strident ally, the Mayor was finally given the go-ahead by the Senate and Congressional Committees to purchase the property from the United States Air Force. The process was long and arduous. It began when Mayor Koblenz and Jack Russo, who serves as Chairman of the Roslyn Water District, initiated the process to have the property at the Roslyn Air National Guard Base designated as a Special Groundwater Protection Area. This was, as mentioned



TOP Mayor Koblenz joins Congressman Ackerman and Jack Russo, Chair of the Roslyn Water District, to lobby on the hill for the sale of the Air National Guard property.



AT RIGHT Mayor Koblenz meets with the Base Closure Committee in Virginia to discuss terms of the sale.

earlier, in 1994 when the village didn't even own the property. The purpose was to ensure the property was always used for benign purposes, and to protect our groundwater from further impairment. After concerted efforts by the Mayor, the Board of Trustees, Jack Russo, Assemblyman Tom DiNapoli, and later, Senator Michael Balboni, the military base was designated as a Special Groundwater Protection Area by the Department of Environmental Conservation on January 2, 1996. This date was well in advance of the Government's decision to close the base.

Then, as another protective measure, the property was carefully rezoned by the village to require two-acre zoning. Again, this action was taken well before the decision was made by the federal government to close the base. While the purpose was to protect the groundwater and prevent inappropriate development, the rezoning later proved to have a pronounced effect on the value of the property. To this effect, the Inspector General of the United States Air Force

strongly opposed the sale of the 50



TOP AND BOTTOM Committee meetings to plan the Park at East Hills.



plus acre tract of land to the village for only three million, ten thousand dollars. The Inspector General stated “The village caused the value of the National Guard Station to drop by approximately 25 percent of its value before rezoning.” The Inspector General, in his report to Congress, also concluded that the value of the property was actually twenty-two million, four hundred thousand dollars, not the minimal amount offered by the village. Yet, after many personal trips to Washington, D.C. by the Mayor, letters

to Congress by the Village's Administration, reports and responses by the village to the Senate and House Committees, and the unrelenting involvement and commitment of Congressman Ackerman, East Hills prevailed. Transfer Day was celebrated on December 9, 2000. Included in the sale, at no added cost whatsoever, was a modern 20,000 square foot building which cost the government over \$3 million when it was built several years ago, a 16,000 square foot warehouse, a six-bay vehicle maintenance garage with trucks, and several other valuable buildings. All this is now the property of East Hills.

Planning a New Park

To ascertain the needs and desires of the community a sports and recreation survey was sent to all 2,300 homes. A record 1145 responses were received representing close to 50% of the community. The current plan was developed from the responses of the residents, and the arduous work, efforts and input from the 23 committees that were created to plan the park. The breadth and scope of the project was then curtailed by the Mayor and the Board to address financial concerns and cost constraints. Finally, the Oversight Committee reviewed the proposals, made suggestions, and the actual re-configured concept for the park was born. While today's concept is more limited than what was first considered, the proposal remains exciting and dynamic.

“The property is now the crown jewel of our community”

—Mayor Koblenz

Financing the Park

All Costs To Be "Tax Deductible".

According to the Village's Auditor, since all debt service and operational costs will be paid through municipal taxes, they would be tax deductible by "any person upon whom they are imposed in the year they are paid, under Revenue Code Section 164 (a)."

Strengths of the program include:

- Village Would Benefit From Lowest Interest Rates in decades.
- Village Would Lock-in Lowest Interest Rates for an Average 22 years.
- Village Will Take Advantage of its Extremely High Credit Rating (Aa3) Awarded by Moody's Credit Agency to Get Lowest Interest Rates Available.

Total Projected Average Annual Costs

The Village's plan is to borrow \$17 million dollars to demolish and grade, construct and equip the new park. With the Village's excellent credit rating and the present low rates, the total estimated annual cost for the average homeowner is \$758.82.¹

With a potential 43% tax savings, the cost would effectively be an estimated \$432.52. This figure includes an average estimated \$470.01 for the carrying costs for principal and interest on the mortgage, and an average estimated \$288.81 for the entire estimated operating costs. Any increase in the operating costs are estimated to be 6% per annum or less by the park consultant.¹ The carrying costs of an estimated average estimated \$470.01 would be fixed at the time of the borrowing in October, 2003.²

The annual overall costs per family is from an estimated average of \$477 in the lower range, to an estimated average of \$944 in the higher range.³ However, even at the estimated average in the higher range, after taking into consideration a 43% tax deduction, (the highest federal/state personal income tax benefits available), the estimated average in the higher range is only effectively \$538.⁴

The total estimated annual debt service is \$1,178,770.00, and the estimated operating costs are projected at \$724,750 for the entire first year. The total carrying costs and operating costs are an estimated \$1,903,520 per annum.

1. The average operational costs, staff, and all expenses were estimated by consultant Richard Arenella, Superintendent of Parks and Recreation in Great Neck for 30 years. During his tenure, Mr. Arenella had an average increase per year of 6% or less.
2. All costs for the proposed bond were based on current rates and information at the time of publication, August 3, 2003 and were furnished by Evensen Dodge, Inc., financial advisors as analyzed by Coughlin Foundotos Cullen & Danowski, LLP. The carrying costs on a \$17 million dollar bond were projected at an interest of 5.25% over an average 22 years of amortization. There is no guaranty of these rates at the time of borrowing but these estimated carrying costs are a good faith estimate.
3. Only 110 homes out of the Village's 2,295 properties will be in the higher range which exceeds of this amount. The average tax assessed value in East Hills is \$13,526; the park tax is \$56.09 per thousand of assessed value.
4. The use of the highest federal/state personal income tax deduction of 43% is not a representation that this tax bracket applies to any specific resident and is used purely for comparison basis. Actual the tax benefits will vary based on an individual's income, deductions, exemptions, etc.

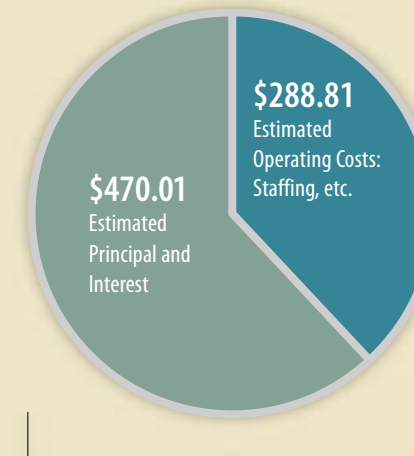
The breakdown of conceptual planning estimates are, as follows: Demolition, site

preparation, and utility disconnects \$3,500,000; infrastructure, parking, paths, traffic and fencing \$2,000,000; outdoor pool, decks, furnishings, equipment \$3,500,000; pool locker rooms, concessions, senior lounge \$750,000; six tennis courts \$600,000; softball field, little league field, and three overlay soccer fields \$500,000; two age distinct playgrounds and gazebo \$350,000; theatre building improvements and renovation \$350,000; comfort station building adjacent to fields \$250,000; tennis clubhouse, bathrooms, lounge \$225,000; Roofing, HVAC at Village Hall Building \$225,000; two basketball courts \$150,000; Public works garage improvements \$142,500; and dog run/play area \$25,000. The design management, construction oversight, and project management fee by park designer, landscape architect and engineer \$1,532,500 together with financing/bonding costs of \$150,000.

There is also a contingency fund for unexpected costs and overruns of \$2,750,000.

The total bond, including the contingency fund, is therefore \$17,000,000.

Unlimited Use



\$758.82

Total Estimated Cost per Average Homeowner for Entire First Year

All residents will enjoy unlimited use of the facilities without a separate charge or fee. However, additional costs will be charged for personal specialized instruction, equipment (e.g. tennis rackets, tennis balls, swimming lessons, etc.) various supplies for courses, food, beverages, apparel, personal party functions, extraordinary major special events, and special individualized courses offered. All charges will be specifically approved by the "Parks and Recreation Committee."

Incomparable Value

With summer pool clubs charging a family fee of up to \$2,000, not to mention fees for tennis, the anticipated costs to cover an entire family are a true value.

But then, when tax deductibility is considered, the low costs become even more pronounced. Assuming, hypothetically, that a taxpayer in the top federal/state tax bracket of 43% owns a home with an average assessment in our village, the bottom line cost for this resident's entire family, considering tax benefits, would only be an estimated \$432.52.

Depictions: All designs, plans, sketches, renderings and photos, whether presented visually or orally, are intended for draft and conceptual purposes only, and are depictions and not actual or final. The actual size, number, proportions, products, scope, location of streets, buildings, entrances, and facilities, look, colors, furnishings, texture, buildings, roads, layout, and facilities which will be constructed may vary, in whole or in part, and the plans, renderings and descriptions may be changed at any time at the complete discretion of the Board of Trustees.

For the Sole and Exclusive use

For the Sole and Exclusive use of East Hills Residents

The Park at East Hills will be devoted to the use of our residents. A Village Membership Committee would establish specific guest policies. Among the decisions to be made are the permissible frequency, days, and costs to be charged for guests.

Automatic Membership for All Our Residents

For our benefit, all fees, costs and expenses would be paid from village taxes. Therefore, no separate or other membership fee or cost would be asked of any East Hills resident in the immediate family in order to use the facilities. Use the park as much as you want without any user daily, monthly, or yearly fees whatsoever.

Sites Where Future Sports and Recreation Facilities Will Be Built



Site where the pool will be constructed



Area where sports fields will be built



Present land to be devoted to tennis courts

How Long Will It Take?

First, the approval process. After two community hearings are held on September 15th and 16th a specially scheduled bond referendum will be scheduled for early October when all registered voters in East Hills will vote on the new park proposals. The date for the referendum will be specified in the *Roslyn News*. If approved, groundbreaking ceremonies would occur in November, 2003.

Summary

The new park is designed to be a fun-filled, outdoor, state-of-the-art facility, and the pride of our community.

“A Home Run for Home Values!”

To whom it may concern:

We are excited about the plans concerning the construction of the Park at East Hills. A facility of this nature, with a pool, tennis courts, basketball courts, sports fields and a jogging path will substantially enhance the property values in the East Hills area and enhance the quality of life of the residents.

Emmett Laffey, CEO
Century 21 Laffey Associates

Dear Mayor Koblenz:

When I originally heard about the Village of East Hills purchasing 50-plus acres of land from the New York State National Guard for a park, I thought it was a rare and wonderful opportunity for the residents of the village.

I was very impressed when I saw the land and read the collection of letters and articles in the history room at Bryant Library regarding the proposed plans for the park. As a licensed associate real estate broker, and school teacher. I know that the park will increase property values substantially, and enhance the daily activities of the residents of East Hills. The park will also enhance pride in the community, and it is a wonderful legacy.

I am looking forward to seeing the proposed park plans develop, and I wish the residents of East Hills the best of luck.

Sandra Samuels
Roslyn Realty

To the Village of East Hills:

I am a licensed real estate broker and have worked in Roslyn area since 1977. In is my belief that the addition of a new park in East Hills will provide an extra attraction for people to buy homes and live in our community. It will be a very appealing lifestyle choice for families who seek a community that provides facilities for the residents.

Values of homes in the East Hills neighborhoods should remain very strong and will probably increase in value as a result of a beautiful new park.

I wish you much success in your endeavor.

Lea J Frank
Daniel Gale Associates, Inc.

Dear Mayor Michael Koblenz:

As a Certified Luxury Home Marketing Specialist (CLHMS), the East Hills Park Project is an excellent recreational concept that would be enjoyed by Family and Friends of the East Hills community. When completed, it would also enhance the value of the homes in East Hills.

As a Real Estate Professional, I have found our clients, have a demand for East Hills due to its location, and the reflection of pride of Homeownership that the East Hills Community has shown. All of these qualities will help make the East Hills Park a success.

If I can be of any further assistance to either you, or your residence, please do not hesitate to contact me.

Arline Rutsky
RE/MAX Fine Homes and Estates

The Park at East Hills General Construction Schedule			
Spring 2004	Fall 2004	Spring 2005	Summer 2005
Demolition Site Preparation	Basketball Courts Tennis Courts Entry & Site Fencing Senior Lounge	Field Sports: Little League, Softball, Soccer Playground Comfort Station Parking and Paths Lighting	Amphitheater Swimming Pool, Bathhouse Picnic Area Dog Run

Other Local Villages with Sports, Recreation and Community Facilities



Sands Point: Mayor Michael Koblenz meets with Sands Point Mayor Leonard Wurzel at the Village Club of Sands Point. The community funded and paid over \$20 million for improvements after purchasing the property for an additional \$12,500,000 in 1994. The Village of Sands Point offers golf, swimming, tennis, basketball and fine dining.



Harbor Hills Pool Club, Great Neck. The community includes the costs in the village taxes.



Lake Success, Great Neck financed \$11.5 million dollars to build a new community building shown above and a police building. The community has golf, swimming, tennis, basketball and a park.



Village of Great Neck Estates Pool Club



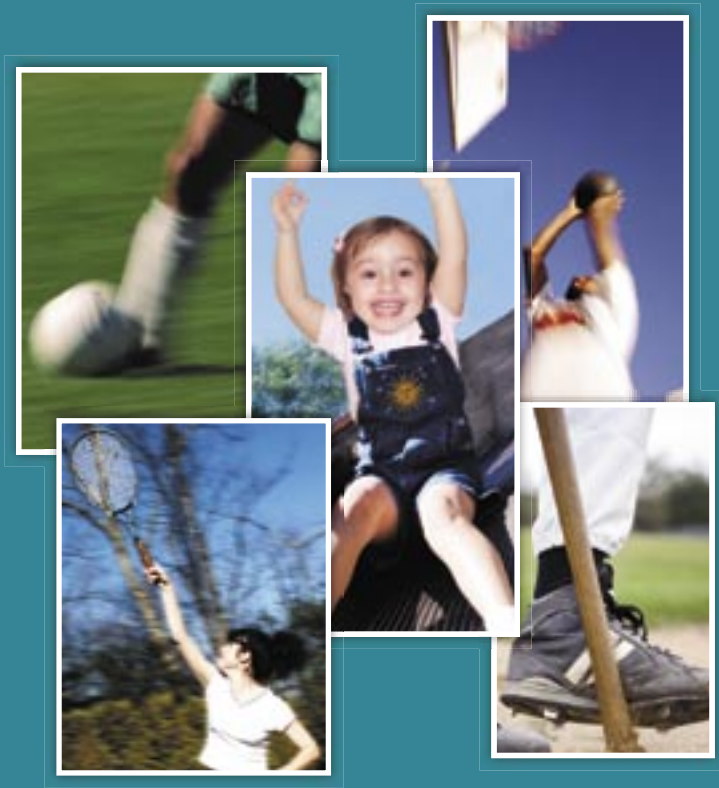
Kensington Pool Club, Great Neck. The community includes all costs for their pool in their taxes.



The Mayor and Board

Mayor Michael R. Koblenz with Deputy Mayor Linda Nathanson, and, (L-R), Trustees Peter Zuckerman, Gary Leventhal and Manny Zuckerman.

“Turning First-Class into World-Class”



“The Championship Community”

The Incorporated Village of East Hills

209 Harbor Hill Road

East Hills, New York 11576

www.villageofeasthills.org