

# River Club parcel bought

## Town and county in \$12 million deal

By John Stefans

It looks like it's finally going to happen.

After years of negotiations, to say nothing of lawsuits, community protests and even an investigation by the district attorney, a 53-acre parcel of open space — still known from an earlier incarnation as the River Club — is about to be preserved as open space through a joint purchase by Suffolk County and the Town of Riverhead.

At a press conference Monday morning, County Executive Steve Levy announced that the county will provide \$5 million to buy 17 acres on the south side of Riverside Drive in Riverhead, including 1,200 feet of shoreline along the Peconic River. And Riverhead Supervisor Phil Cardinale announced that the town will pay \$6.88 million for 36 acres on the north side of Riverside Drive.

As a result, the largest undeveloped track in Riverhead along the river — a parcel that at various times could have become a 159-lot subdivision, a 222-unit condominium complex or, most recently, a 40-unit subdivision with 12 docks, a clubhouse and 40 boat slips — will pass into public hands.

It's not a totally done deal.

The Riverhead Town Board still has to OK the expenditure and was expected to authorize a public hearing on the question at last night's Town Board meeting. The county legislature must also approve. But little opposition is expected and, in the meantime, The Nature Conservancy, which handled the negotiations, has agreed to provide a \$12 million bridge loan to make the sale happen quickly and will also contribute \$120,000 of its own money toward the purchase.

Just why the property's owners, led by East Quogue developer Bruce Barnet, had decided to change their minds and sell after years of saying no was not revealed at the press conference, and no one from that group was present. But one observer, who asked not to be identified because he had been part of the discussions, suggested the reason might have been a "perfect storm" of circumstances, as he described it, including a



News-Review photo by Barbaraellen Koch

**A press conference was held Monday morning by County Executive Steve Levy (third from left), Supervisor Phil Cardinale (second from left) and Kevin McDonald of The Nature Conservancy about the joint purchase of the River Club property on Riverside Drive.**

softening real estate market and the threat of lawsuits by the Long Island Pine Barrens Society and others.

Also contributing, he suggested, was the continued virulence of community protesters, including members of the Riverside Drive Civic Association, a group formed three years ago specifically to block the River Club. One member of the association, John Rather, was present at the press briefing and could hardly conceal his glee. He effusively thanked both Mr. Levy and Mr. Cardinale, who said that Councilwoman Barbara Blass, who wasn't able to attend the briefing, also deserved a great deal of credit for spearheading the effort.

How the county district attorney got involved goes back to 2003 after the Town of Riverhead, based on a market appraisal it ordered, had offered to pay \$6.5 million for the property. But an appraisal by the county had valued the property at \$3.5 million, which caused

critics to accuse the administration of then town supervisor Bob Kozakiewicz of playing loose with the facts.

An investigation was to later to clear the town of any wrongdoing. But not only did the investigation delay negotiations, it also ended up nearly doubling the price that the owners will now receive.

Mr. Levy said the county's \$5 million for the purchase will come from the \$22.5 million he has recently freed up to pay for additional open space purchases. This was money, he said, that the county would have otherwise spent this year on projects that never came to fruition.

Mr. Cardinale said the town's portion would come from a new bond authorization that will finance preservation by borrowing against anticipated revenues from the Community Preservation Fund, or the 2% real estate transfer tax, as it is known.