

REMARKS FOR BOT MEETING

My name is Celia Felsher. I have lived in the Village for almost 40 years.

Two weeks ago, Dan Pfeffer, a wealthy real estate developer who does not live in the Village, addressed you about Hampshire. He claimed I was the sole reason Hampshire failed to obtain approval for its development plans. That statement is obviously false. He also, in the guise of “educating” those of you who have not been involved over the years, made misleading statements that need to be corrected.

The developer and Westport Capital, the distressed private equity firm that funded the purchase of Hampshire in 2009, have been counting on the rezoning and condo development to make a multi-million-dollar windfall profit. The developers took a gamble; they bought the 107-acre site for only \$12 million, a price that reflected current zoning, believing they could turn that into a \$55 million profit as a result of rezoning. It is the rezoning, and the rezoning alone, that would create that windfall.

For those who are new to this matter, there has been longstanding and overwhelming community opposition to both the original rezoning proposal, that was rejected unanimously by a prior Board 10 years ago, and the housing development. While I often acted as the spokesperson for the community, I was by no stretch of the imagination single-handedly responsible for community opposition or the outcome. That is a preposterous claim that belittles the voices of many in our community, prior Trustees and the thorough and painstaking years of work done by the Planning Board.

Also, contrary to the impression created two weeks ago, Hampshire is not winning in court, as no doubt Village counsel has advised you. Hampshire resoundingly lost the only case that has been finally adjudicated, and it is

likely to lose the two cases currently before the courts. When the original zoning petition was denied, Hampshire filed a lawsuit to overturn the Board's decision, and sought \$55 million in damages. Hampshire's claims were meritless, and it was no surprise that they ultimately lost in both state and federal court (I have copies of all decisions I mention here). Even though it was clear Hampshire was very unlikely to win those cases, Hampshire caused the Village to incur significant legal expense, all the while circulating messages about the Village wasting money on legal fees and the dire consequences of losing those suits. We all should be grateful to prior Boards for standing firm in defense of the Village.

Hampshire is playing the same game now. The Planning Board spent several years looking carefully at the impacts of what would have been the largest single development in the Village's history. After much thoughtful work and expert advice, the Planning Board unanimously denied Hampshire's 105-home development, as they had the right and obligation to do, given the risks from flooding, and many other factors - all outlined in the Environmental Impact Statement (and summarized in the final Findings (copies are here)).

Hampshire is yet again using meritless litigation as a weapon to pressure the Village to rezone the property. It is seeking to reverse the Planning Board's decision (relief that the lower court denied) and alleges \$50 million in damages. The lawsuits have one purpose and one purpose only – to support Hampshire's scare tactics of greater legal fees and a possible \$50 million claim to pressure the Village into giving them the rezoning.

It is Hampshire that is causing the Village to spend money defending itself against these lawsuits. If the Village were to cave and give Hampshire what it wants (the rezoning) the Village would have a bullseye on its back. It would be clear that all a developer has to do is bring a lawsuit and the Village will cave. That would be disastrous. The Village must stand firm.

The Westport Capital fund that provided the capital to purchase Hampshire almost 15 years ago would have long ago passed its expected termination date. After being sold a story that Westport could turn a quick, huge profit through rezoning, I'm sure that Westport is now looking to cut its losses and sell, especially given the denial of the housing development application and its having lost in the lower courts its request to overturn that denial. The developer's payout would be a share of any profits made by Westport. The developer would get virtually nothing upon a sale of the club with its current zoning. That is why Hampshire is pressing so hard now. It is likely their last chance at a huge windfall.

Hampshire's offer to "negotiate" now is hollow. The only result of negotiation that Hampshire wants is rezoning – so it can achieve its over \$50 million dollars of profit. That would be in return for what? For dropping lawsuits that Hampshire will likely lose and for which the lion's share of the costs have already been incurred?

As Hampshire gets closer to losing those lawsuits, and as its funder needs to get out of the investment, Hampshire is under pressure to get what it wants (rezoning) NOW, to the detriment of residents. So, NOW is precisely the time that the Village must stand firm.