

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made this ___ day of March 2007 by and between the Town of Dover, New York, a municipality organized and existing under the laws of the State of New York ("Town") and Dover Knolls Development II, LLC, a corporation organized and existing under the laws of the State of New York ("Dover Knolls" or "Applicant").

WHEREAS, Dover Knolls desires to amend its November 2005 application ("Application") to the Town for a Zoning amendment for the Harlem Valley Psychiatric Center ("Site") to reflect its February 2007 concept plan annexed hereto;

WHEREAS, the Town desires to accommodate the Applicant's request in order to facilitate the redevelopment of the Site in accordance with the Town's Master Plan and Code in a manner that benefits both the Town and the Applicant.

IN ORDER TO ACCOMPLISH THE FOREGOING PURPOSES, THE PARTIES AGREE AS FOLLOWS:

Dover Knolls agrees to do the following upon the execution of this MOU:

1. Remedy outstanding violations at the Site described in the attachments to our March 12, 2007 letter to Dover Knolls' counsel as soon as possible.
2. Make payments to the escrow account for the Dover Town Board in accordance with the Town's March XX, 2007 letter and the annexed Escrow Agreement within one week of the execution of this MOU.
3. Make payments to the escrow account for the Dover Planning Board in accordance with the Town's escrow provisions, relevant Planning Board minutes and the conditions in the Dover Knolls Remediation and Well Drilling Permits within one week of the execution of this MOU.
4. Refrain from engaging in development activities at the Site without the required local, state and federal permits.

The Town agrees to do the following upon the execution of this MOU upon fulfillment of the above conditions numbered "1" through "4":

1. Continue to work diligently and in good faith with the Applicant to process its Amended Application in accordance with applicable local, state and federal laws and by agreeing to undertake the following tasks:
 - A. Recirculate the amended Application and EAF to involved agencies under SEQR

immediately upon receipt from the Applicant of a sufficient number of copies.

- B. Hold a public scoping session with the Applicant and the public on the revised Application and a revised draft scope from the Town within 40 days of the recirculation of the amended Application and EAF to encourage public input on the project.
- C. Provide a revised Final Scope on the amended Application to the Applicant within 50 days of the recirculation of the amended Application and EAF.
- D. Participate in discussions with the MTA and NYSDOT concerning those issues relevant to the implementation of the proposed project at the Site.

Dover Knolls and the Town agree to meet regularly to confer about the processing of the amended Application. Should Dover Knolls and the Town deem it necessary, the parties to this MOU may retain a mediator for the purpose of participating in non-binding mediation. Dover Knolls and the Town agree that they will share the cost of the mediator equally.

This MOU is a non-binding statement of intent and purpose between the parties intended to clarify the current understanding and expectations between the parties and to provide a good faith framework for future communication in an efficient, open, and thorough project review process.

AGREED AND ACCEPTED this ____ day of March, 2007

Town of Dover

By: _____
Supervisor Jill Way

By: _____
Deputy Supervisor Brian Kelly

By: _____
Richard Hawthorne

By: _____
Kathryn Palmer-House

By: _____
James Johnson

Dover Knolls Development II, LLC

By: _____
Russell Mohr