



WATERVIEW TOWERS ASSOCIATION, INC.

Board of Directors

Jerry Waldman, President; Tracy Sherman, Vice President; John Gildea, Treasurer; Helen Bossman, Secretary; and Al Irato, Director

September 25, 2014

Dear Waterview Towers Owners,

Your Board of Directors would like to report to you about the most current events regarding the planned Chase/Leisure Resort hotel. This is an update to our letter of September 8, 2014 (see attached).

On September 19, 2014 Jerry and John met with Richard Pinsky, Commissioner Mitchell (by speaker-phone), and Ernie Porco representing Chase/Leisure Resorts, and Rick Green and Ana Aponte of the city planning office.

The purpose of the meeting was to discuss the preference of Leisure Resorts for a 92' hotel with approximately 30' of mechanicals resulting in an actual height of (120') version of the hotel. Remember, only a few weeks ago they succeeded in pushing through zoning for the 75' hotel version and green garage.

They presented us with three 92' /120' options (notice there is no longer a 75' option, as they only care to build the 92' version) – similar to the original options – except that they added an offer to raise our pool to terrace level (at their expense). This time, the offer was written on letterhead, however the letterhead was one of an attorney; nowhere in the document did it say who he represents or that he has any authority to sign documents or make offers in their stead.

At some point Mr. Pinsky, unhappy with the meeting, summarily ended the meeting (we've also never had a document from his principals regarding his authority to negotiate), disconnected Commissioner Mitchell and left the meeting along with city employees. Everyone except Mr. Porco followed.

After they departed, the remaining participants - Jerry, John and Ernie Porco – made what we believe was a small amount of progress; we discussed adding more distance between our building and the new hotel. Chase would achieve this by moving their building as far south as possible on their lot leaving more space between buildings and reduce/eliminate the shading of our pool. Then the so called “view corridor” would be on both the north and south of the new hotel. We are waiting for that information in addition to other possibilities.

It now seems that the huge garage and the hotel was a ploy that did not quite work out. We were supposed to “cave” immediately following the approval of that version of the hotel and agree to their terms. Only when we told them that we would be filing a lawsuit instead of conceding did Chase and the City seem to take our position seriously.

We asked several questions on “hard” issues (e.g. environmental, marina service vehicle staging points, employee parking, etc.). We followed up with a detailed email highlighting the questions and we were told we would have some answers this week. Today is Friday and we have not had a response. We did not labor on “softer” issues (noise, alcohol, lighting, etc...). There will be detailed presentations on these issues at the town hall meetings. These are serious issues to which we need answers.

We believe that a suit is the best tool we have to create the “best atmosphere” and positive outcome for Waterview Towers. Remember, the City changed the zoning of the adjacent property such that there is **NO HEIGHT** restriction. If we allow this change to go unchallenged, another more intrusive version will surely appear. Our best protection is a suit, which must be filed by October 2, 2014.

We believe that we will not have to spend substantial sums for legal fees following the filing of the suit, as neither side would actually want the case to progress. In their case they would be fighting to build a hotel they don't really want to build. If necessary though, we are very serious about stopping the violation of the terms of our lease, the City's land plan, and the rules by which Cities are required to operate. We will see a lawsuit through the court system, if necessary.

Meanwhile, we will continue to learn as much as possible and make every effort to keep you informed, including having town hall meetings this fall and winter so that everyone understands why we have chosen to follow this path and hear your ideas.

Chase badly wants a 92' hotel with 158 rooms. The cost of construction, we've been told, is \$32 million. The value of the hotel at completion will be at a minimum \$350,000.00 per room or \$57 million – a \$25 million dollar gain.

Therefore Chase has much to gain by negotiating fairly and equitably with us and to insure our homes are not damaged or our lifestyle diminished in any way. Additionally the city stands to gain a significant amount of revenue from this new hotel and waterfront restaurant. So we believe that they would also want to treat us fairly and participate in resolving many existing issues we have with the city.

Our board is unanimous on this issue and the actions we are taking, and encourage all our owners to support the effort as well.

We remain ready, willing and able to negotiate a fair settlement with both Leisure Resorts and the City and look forward to doing so.

Sincerely,

Jerry Waldman

Jerry Waldman, President for the Board of Directors
The Waterview Towers Condominium Association, Inc.