

Submit as Exhibit VIII.C.1.e. a description of any geological or structural defect of the Project Site, and include a description of the engineering, design, and construction plans to remedy the defect. Indicate whether or not any of the Project Site is proposed to be located in a floodplain and, if so, include a description of the flood history of the site.



OVERVIEW OF THE PROJECT SITE

There are no geological or structural defects within the Project Site, inclusive of the Gaming Facility, that would render the land unsafe or unsuitable for development. The environmental conditions of the site were analyzed in a thorough environmental review, which included a Draft Generic Environmental Impact Statement/Draft Environmental Impact Statement ("DEIS"), Final Generic Environmental Impact



EXHIBIT VIII.C.1.e.

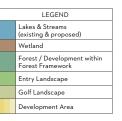
Statement/Final Environmental Impact Statement ("FEIS"), and a Statement of Findings (collectively identified as the "SEQRA Documents").¹ The analysis concluded that there were no conditions on the Project Site, either geologically or structurally, that would make development unsafe or make the land unsuitable for development.

The Kiamesha Creek runs roughly from south to north through the Project Site. There are mapped floodplains on either side of the Creek and its tributaries to the south. However, the development of the Project Site, with the exception of the redesign and re-construction of the Monster Golf Course, has been sited to avoid development within the floodplain.

GAMING FACILITY SITE

Casino Site

Montreign Resort Casino, which is a part of the Gaming Facility, will be located on the Casino Site. It is wellsuited for development. It contains no geological or structural defect





and there are no brownfield sites within the parcel. A portion of the Casino Site is within the 100-year floodplain. However, no development is planned for this portion of the Casino Site. All development associated with the Casino Site is proposed well to the east of this area. A portion of this floodplain is also regulated wetlands, which serve to localize flooding conditions to the wetlands and protect the balance of the Casino Site from extreme flooding conditions.

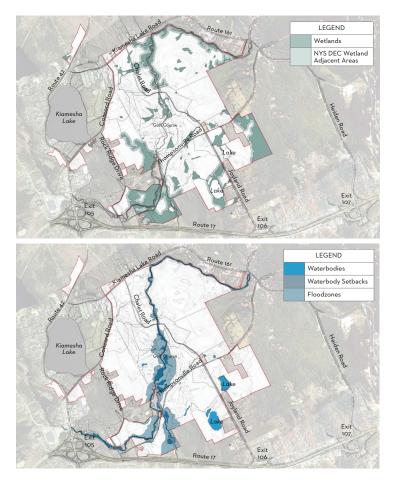
After a thorough environmental review by the Town of Thompson, acting as the Lead Agency pursuant to SEQRA, the Casino Site was found to be well suited for development.

Entertainment Village, Indoor Waterpark Lodge, Monster Golf Course, Infrastructure Improvements

The remainder of Gaming Facility site (i.e., the Entertainment Village, Indoor Waterpark Lodge, Monster Golf Course and infrastructure improvements) contains no geological or structural defect. In addition, there are no brownfield sites within the Gaming Facility site.



¹ The SEQRA Documents are more fully described in Exhibit VIII.C.3.a.



A portion of the existing the Monster Golf Course, which is bisected by the Kiamesha Creek and its attendant ponds, is within the 100-year floodplain. During periods of heavy rain, several of the course's existing holes are inundated and the course is rendered unusable. Upstream development along the Kiamesha Creek corridor appears to have exacerbated flooding conditions in the Monster Golf Course over the past several decades. Review of survey mapping and associated infrastructure reports, confirmed by site visits, indicate that the existing Monster Golf Course contains several storm water culverts which help to drain storm water ponds and overland runoff to Kiamesha Creek. While these culverts provide safe conveyance of small storm water flows, due to the low elevation of many of the fairways and greens, continued flooding is an issue.

The redesign and reconstruction of the Monster Golf Course will help alleviate these flooding conditions. (Notably, no habitable structures are planned to be constructed within the 100-year floodplain; only

improvements to the existing Monster Golf Course in the form of grading.) Improved siting of the course's holes and improved drainage systems are anticipated to lower the number of days that the Monster Golf Course is rendered unusable. In addition, all improvements and grading for the proposed Monster Golf Course placed within Special Flood Hazard Areas or within a designated Floodway will be built to prevent an increase in the surface elevation of the base flood. An engineering study attesting to the site's conformity with floodplain regulations will be provided in final design documents for the Monster Golf Course redesign as part of site plan approval in the Town of Thompson.

Another way that flooding conditions will be improved is through a wetland creation plan that has been developed for the Project Site. This plan is proposed to create wetland habitat in areas of the existing golf course that would be unused based on the redesign. These areas have been examined by project ecologists and the US Army Corps of Engineers ("USACE") and found to be viable mitigation sites for wetland creation. By retaining surface water runoff and diverting a portion of overflow from Kiamesha Creek during times of high flow, the proposed project's wetland creation components would provide some flood reduction and water quality benefits for the redesigned Monster Golf Course and for downstream lands.

Finally, a portion of one of the tax parcels on which the Resort Entry Road is located is within the 100year floodplain. However, the Resort Entry Road itself is approximately 500 feet from the boundary of the floodplain, and 15-40 feet higher in elevation than that portion of the floodplain. Construction of the Resort Entry Road will neither be impacted by the floodplain, nor will it exacerbate flooding conditions downstream of the Resort Entry Road.

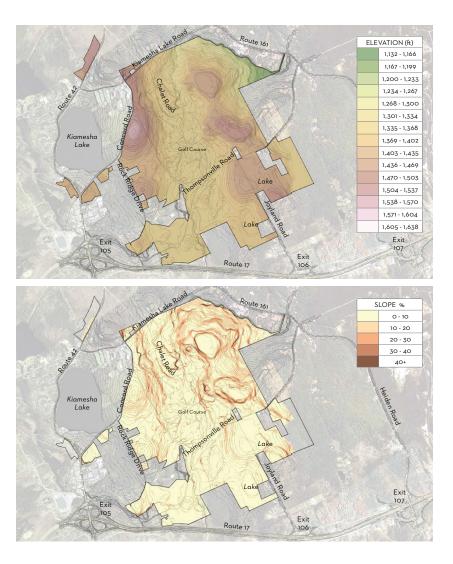


FUTURE DEVELOPMENT

The Future Development Site contains no geological or structural defect that would render the site unusable or unsuitable for development. Likewise, the development program as contained in the Comprehensive Development Plan approved by the Town of Thompson, as described more fully in Exhibit VIII.C.3.a., does not contemplate any wetland impacts in this area, except for those minor impacts associated with needed improvements to existing roadway crossings. Further south, the Project Site continues to be dominated by forest and forested wetlands. Development is planned in portions of the forested land, but not in the forested wetlands.

100-YEAR FLOODPLAIN

As shown in Attachment VIII.C.1.e.-1, portions of the Future Development Site are within the 100-year floodplain. However, the master plan for Adelaar, as described in the Comprehensive



Development Plan approved by the Town of Thompson and identified in Exhibit VIII.C.3.a., does not envision any habitable structures within the 100-year floodplain. In addition, disturbance within the 100year floodplain would likely be limited to wetland creation, the installation of buried infrastructure (i.e., sewer lines), and the redesign of the Monster Golf Course.

