

## **Terms of the Proposed Acquisition and Development:**

### Acquisition Price:

The land purchase price for the site will be \$2,000,000.

### Zoning and Planning:

RDC will prepare and advance its plans through the local zoning and planning process, at its cost.

### Accessibility:

RDC's buildings will both contain elevators, and all apartments will either be built as fully accessible for people with physical disabilities or will be convertible to full accessibility, at RDC's cost. A percentage of the apartments will be fully accessible at construction completion.

### Taxation / Payment in Lieu of Taxes

To meet the need to remain affordable to those in the workforce, the development will need to participate in an abatement of real estate taxes and will make two payments:

1. Payments in Lieu of Taxes ("PILOT") to the local taxing jurisdictions in the total initial amount of \$70,000/year, increasing 3% per year for the term of the PILOT agreement, which will be 30 years.
2. Payment of a User Fee to the Village of Croton-on-Hudson in the amount of \$20,000/year, with no annual increase, for the same 30-year term.

At the end of the PILOT term, the property will revert to paying taxes based on an assessment of the property, like all other properties in the Village.

### Solar Energy:

RDC has committed to providing either solar thermal hot water heat or solar photovoltaic systems for common area electric, subject to the availability of NYSERDA funding for these efforts.

### State Funding:

To achieve affordability of rents for the workforce, the development will be seeking tax credits and low-interest loans from the State of New York Homes and Community Renewal. RDC will work expeditiously to submit applications for such funding as it becomes available.

It is understood by both the Village and RDC that the proposed development should score well in the competitive funding round by NYS HCR. The Developer has pointed out certain

planning steps that the Village has already made which will enhance the competitive advantage for this development. These include designating this redevelopment part of the Village's updated 2017 and 2020 Comprehensive Plans. While the proposed development will be a high scoring development in the competitive scoring process, it sometimes takes more than one round of competition to be awarded.

#### Attorney Fees for Contract Negotiation

RDC will agree to cover the Seller's attorney's fees for the negotiation of the contract of sale for the transaction.

#### Land Use Application Submission Timing

RDC anticipates filing an application with the Croton Planning Board within three months of award of the RFP by the Village.

#### Financing Approvals

- Construction and Permanent Loan Commitments:

RDC anticipates letters of commitment from both construction and permanent lenders within two months of award of RFP.

- Tax Credit Investor Equity Commitments

RDC would anticipate letters of commitment from its tax credit investor within two months of award of RFP.

- NYSHCR Tax Credit Commitment

RDC would anticipate an award of tax credits from NYSHCR after decisions are made in the upcoming August 2021 submission round. Normally, decisions are made by HCR within three to four months after the submission deadline. RDC therefore anticipates a funding tax credit commitment for this project by the end of December 2021.

If the development is not awarded credits in the August 2021 round, RDC would resubmit in the next NYSHCR round anticipated for December 2021.

#### Closing Date

If the development is awarded NYSHCR approval in the August 2021 round, RDC would close on the property by December 2021.

If the development is awarded NYSHCR funding in December 2021 round, RDC would close on the property by April 2022.

### Deposit

Since RDC will be investing heavily in pre-development costs and the land use approvals, including full engineering, civil, and architectural plans, and surveys (for both the land use approvals and NYHCR submissions), RDC is prepared to deposit 5% down on contract signing. RDC would increase that 5% deposit by an additional 5% if we are not funded in the NYSHCR December 2022 round of funding. This would allow for one more round of submissions, as competition fluctuates for Westchester projects and State-wide projects.

This term sheet is expected to form the basis of a full contract of sale for the property, together with other legal documents to reflect the will of the Village and RDC.